



Transcript Exhibit(s)

Docket #(s): T-03446A-08-0055

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Exhibit #: A1-A5, S2

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Arizona Corporation Commission  
DOCKETED

APR - 3 2009

DOCKETED BY	
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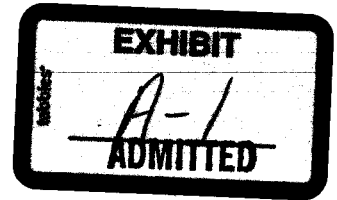
AZ CORP COMMISSION  
DOCKET CONTROL

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# NEW APPLICATION



January 28, 2008  
Via Overnight Delivery

2600 Maitland Center Pkwy.  
Suite 300  
Maitland, FL 32751  
P.O. Drawer 200  
Winter Park, FL  
32790-0200  
Tel: 407-740-8575  
Fax: 407-740-0613  
www.tminc.com

Docket Control Center  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 80557-2927

RE: Application for Certificate for Service Provider for Access Point, Inc.

Dear Sir/Madame: **T-03446A-08-0055**

Enclosed for filing are the original and thirteen (13) copies of the above-referenced application submitted on behalf of Access Point, Inc.

Please acknowledge receipt of this filing by date stamping the extra copy of this cover letter and returning it to me in the self-addressed, stamped envelope provided for that purpose.

Any questions you may have regarding this filing may be directed to me attention at 407-740-3001 or via email to [tforte@tminc.com](mailto:tforte@tminc.com). Thank you for your assistance.

Sincerely,

Thomas M. Forte  
Consultant to Access Point, Inc.

TMF/rg

cc: Jason Brown - Access Point  
file: Access Point - AZ Local  
tms: AZL0800

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TECHNOLOGIES  
MANAGEMENT, INC.

DOCKET  
AZL0800  
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# Cover Sheet

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Official  
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Only

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Official  
Use  
Only

COMPANY NAME: Access Point, Inc.

DBA (if applicable): \_\_\_\_\_

DOCKET NUMBER(s): \_\_\_\_\_

INSTRUCTIONS: Please choose the item that best describes the nature of the case/filing.

## UTILITIES - NEW APPLICATION

### UTILITIES - NEW APPLICATION

<input type="checkbox"/> New CC&N	<input type="checkbox"/> Interconnection Agreement
<input checked="" type="checkbox"/> Extension of CC&N	<input type="checkbox"/> Rates
<input type="checkbox"/> Deletion of CC&N	<input type="checkbox"/> Financing
<input type="checkbox"/> Cancellation of CC&N	<input type="checkbox"/> Formal Complaint
<input type="checkbox"/> Tariff (NEW)	
<input type="checkbox"/> Miscellaneous - Specify: _____	

### UTILITIES - REVISIONS/AMENDMENTS

Application

Tariff

Decision No. \_\_\_\_\_

Promotional: \_\_\_\_\_

Docket No. \_\_\_\_\_

Compliance: \_\_\_\_\_

### MISCELLANEOUS FILINGS

<input type="checkbox"/> Affidavit (publication, Public Notice)	<input type="checkbox"/> Motion to Intervene
<input type="checkbox"/> Request/Motion	<input type="checkbox"/> Notice of Errata
<input type="checkbox"/> Comments	<input type="checkbox"/> Testimony
<input type="checkbox"/> Exception	<input type="checkbox"/> Response / Reply
<input type="checkbox"/> Exhibit(s)	<input type="checkbox"/> Witness List
<input type="checkbox"/> Miscellaneous - Specify: _____	

January 28, 2008

Date

  
Thomas M. Forte, Consultant to Access Point, Inc.

If the Applicant wants to provide any type of Non-Customer Owned Pay Telephone ("COPT") telecommunications services in Arizona, provide the Arizona Corporation Commission ("Commission") with information being requested.

Remember that information submitted for a Certificate of Convenience and Necessity ("CC&N") will be made part of the public record (including financial statements). Any information designated as confidential will not be accepted by Docket Control. Mail your original CC&N application plus thirteen (13) copies to Arizona Corporation Commission, Docket Control, 1200 W. Washington Street, Phoenix, AZ 85007-2927.

Make sure you use the Application form dated July 7, 2006. Also, make sure you answer each numbered item and part of the item in each section of the Application form. If you do not use the correct Application form and/or do not completely answer the numbered item(s), Staff will request the Applicant to re-submit the Application form and/or complete any of the numbered item(s) and part of the item in a data request. In order for Staff to review your Application, complete the following form. Thank you.

## ARIZONA CORPORATION COMMISSION

### Application and Petition for Certificate of Convenience and Necessity to Provide Intrastate Telecommunications Services

Mail original plus 13 copies of completed application to:

For Docket Control Only:  
(Please Stamp Here)

Docket Control Center  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007-2927

Please indicate if you have current applications pending in Arizona as an Interexchange reseller, AOS provider, or as the provider of other telecommunication services.

Type of Service: \_\_\_\_\_

Docket No.: \_\_\_\_\_ Date: \_\_\_\_\_ Date Docketed: \_\_\_\_\_

Type of Service: \_\_\_\_\_

Docket No.: \_\_\_\_\_ Date: \_\_\_\_\_ Date Docketed: \_\_\_\_\_

#### A. COMPANY AND TELECOMMUNICATION SERVICE INFORMATION

(A-1) Please indicate the type of telecommunications services that you want to provide in Arizona and mark the appropriate box(s):

- ☒ Resold Long Distance Telecommunications Services (Answer Sections A, B).
- ☒ Resold Local Exchange Telecommunications Services (Answer Sections A, B, C).
- ☐ Facilities-Based Long Distance Telecommunications Services (Answer Sections A, B, D).
- ☒ Facilities-Based Local Exchange Telecommunications Services (Answer Sections A, B, C, D, E)
- ☐ Alternative Operator Services Telecommunications Services (Answer Sections A, B)
- ☐ Other \_\_\_\_\_ (Please attach complete description)

(A-2) The name, address, telephone number (including area code), facsimile number (including area code), e-mail address, and World Wide Web address (if one is available for consumer access) of the Applicant:

Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518  
Telephone: (800) 957 - 6468  
Facsimile: (888) 224 - 1432  
Email: [customerservice@accesspointinc.com](mailto:customerservice@accesspointinc.com)

(A-3) The d/b/a ("Doing Business As") name if the Applicant is doing business under a name different from that listed in Item (A-2):

**Not Applicable**

(A-4) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Management Contact:

**Richard E. Brown**  
**Access Point, Inc.**  
**1100 Crescent Green, Suite 109**  
**Cary, North Carolina 27518**  
**Telephone: (800) 957 - 6468**  
**Facsimile: (919) 851 - 5422**  
**Email: Richard.Brown@acecsspointinc.com**

(A-5) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Attorney and/or Consultant:

**Thomas M. Forte, Consultant to Access Point, Inc.**  
**2600 Maitland Boulevard, Suite 300**  
**Maitland, Florida 32751**  
**Telephone: (407) 740-8575**  
**Facsimile: (407) 740-0613**  
**Email: tforte@tminc.com**

(A-6) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Complaint Contact Person:

**Jason Brown, Regulatory Affairs**  
**Access Point, Inc.**  
**1100 Crescent Green, Suite 109**  
**Cary, North Carolina 27518**  
**Telephone: (919) 827 - 0443**  
**Facsimile: (919) 851 - 5422**  
**Email: Jason.Brown@accesspointinc.com**

(A-7) What type of legal entity is the Applicant? Mark the appropriate box(s) and category.

- ☐ Sole proprietorship
- ☐ Partnership: \_\_\_\_\_ Limited, \_\_\_\_\_ General, \_\_\_\_\_ Arizona, \_\_\_\_\_ Foreign
- ☐ Limited Liability Company: \_\_\_\_\_ Arizona, \_\_\_\_\_ Foreign
- ☒ Corporation: \_\_\_\_\_ "S",   X   "C", \_\_\_\_\_ Non-profit
- ☐ Other, specify: \_\_\_\_\_

(A-8) Please include "Attachment A":

Attachment "A" must include the following information:

1. A copy of the Applicant's Certificate of Good Standing as a domestic or foreign corporation, LLC, or other entity in Arizona.
2. A list of the names of all owners, partners, limited liability company managers (or if a member managed LLC, all members), or corporation officers and directors (specify).
3. Indicate percentages of ownership of each person listed in A-8.2.

**See Attachment A for Access Point's Articles of Incorporation, Certificate of Good Standing and listings of the Company Officers and Stockholders**

(A-9) Include your Tariff as "Attachment B".

Your Tariff must include the following information:

1. Proposed Rates and Charges for each service offered (reference by Tariff page number).
2. Tariff Maximum Rate and Prices to be charged (reference by Tariff page number).
3. Terms and Conditions Applicable to provision of Service (reference by Tariff page number).
4. Deposits, Advances, and/or Prepayments Applicable to provision of Service (reference by Tariff page number).
5. The proposed fee that will be charged for returned checks (reference by Tariff page number).

**See Attachment B for Access Point's proposed tariff**

(A-10) Indicate the geographic market to be served:

☒  
☐

Statewide. (Applicant adopts statewide map of Arizona provided with this application).

Other. Describe and provide a detailed map depicting the area.

(A-11) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any formal or informal complaint proceedings pending before any state or federal regulatory commission, administrative agency, or law enforcement agency.

Describe in detail any such involvement. Please make sure you provide the following information:

1. States in which the Applicant has been or is involved in proceedings.
2. Detailed explanations of the Substance of the Complaints.
3. Commission Orders that resolved any and all Complaints.
4. Actions taken by the Applicant to remedy and/or prevent the Complaints from re-occurring.

**Not Applicable.**

(A-12) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any civil or criminal investigation, or had judgments entered in any civil matter, judgments levied by any administrative or regulatory agency, or been convicted of any criminal acts within the last ten (10) years.

Describe in detail any such judgments or convictions. Please make sure you provide the following information:

1. States involved in the judgments and/or convictions.
2. Reasons for the investigation and/or judgment.
3. Copy of the Court order, if applicable.

**Not Applicable.**

(A-13) Indicate if the Applicant's customers will be able to access alternative toll service providers or resellers via 1+101XXXX access.

☒

Yes

☐

No

(A-14) Is Applicant willing to post a Performance Bond? Please check appropriate box(s).

☐

For Long Distance Resellers, a \$10,000 bond will be recommended for those resellers who collect advances, prepayments or deposits.

☐ Yes

☐ No

If "No", continue to question (A-15).



For Local Exchange Resellers, a \$25,000 bond will be recommended.

☒ Yes

☐ No

If "No", continue to question (A-15).



For Facilities-Based Providers of Long Distance, a \$100,000 bond will be recommended.

☐ Yes

☐ No

If "No", continue to question (A-15).



For Facilities-Based Providers of Local Exchange, a \$100,000 bond will be recommended.

☒ Yes

☐ No

If any box in (A-14) is marked "No", continue to question (A-15).

Note: Amounts are cumulative if the Applicant is applying for more than one type of service.

(A-15) If any box in (A-14) is marked "No", provide the following information. Clarify and explain the Applicant's deposit policy (reference by tariff page number). Provide a detailed explanation of why the Applicant's superior financial position limits any risk to Arizona consumers.

(A-16) Submit copies of affidavits of publication that the Applicant has, as required, published legal notice of the Application in all counties where the Applicant is requesting authority to provide service.

Note: For Resellers, the Applicant must complete and submit an Affidavit of Publication Form as Attachment "C" before Staff prepares and issues its report. Refer to the Commission's website for Legal Notice Material (Newspaper Information, Sample Legal Notice and Affidavit of Publication). For Facilities-Based Service Providers, the Hearing Division will advise the Applicant of the date of the hearing and the publication of legal notice. Do not publish legal notice or file affidavits of publication until you are advised to do so by the Hearing Division.

(A-17) Indicate if the Applicant is a switchless reseller of the type of telecommunications services that the Applicant will or intends to resell in Arizona:

☒ Yes

☐ No

If "Yes", provide the name of the company or companies whose telecommunications services the Applicant resells.

**The Company intends to resell the services of Qwest Communications, Inc., MCI, Sprint, and other possible facilities based carriers.**



(A-18) List the States in which the Applicant has had an application approved or denied to offer telecommunications services similar to those that the Applicant will or intends to offer in Arizona:

Note: If the Applicant is currently approved to provide telecommunications services that the Applicant intends to provide in Arizona in less than six states, excluding Arizona, list the Public Utility Commission ("PUC") of each state that granted the authorization. For each PUC listed provide the name of the contact person, their phone number, mailing address including zip code, and e-mail address.

**Access Point has never been denied authority in any state. Please see Attachment C.**

**The company has an application pending in Indiana. The company plans to file local applications in the remaining states prior to the end of the second quarter of 2008.**

(A-19) List the States in which the Applicant currently offers telecommunications services similar to those that the Applicant will or intends to offer in Arizona.

Note: If the Applicant currently provides telecommunication services that the Applicant intends to provide in Arizona in six or more states, excluding Arizona, list the states. If the Applicant does not currently provide telecommunications services that the Applicant intends to provide in Arizona in five or less states, list the key personnel employed by the Applicant. Indicate each employee's name, title, position, description of their work experience, and years of service in the telecommunications services industry.

**Please see answer to question (A-18) above.**

(A-20) List the names and addresses of any alternative providers of the service that are also affiliates of the telecommunications company, as defined in R14-2-801.

**Not Applicable**

(A-21) Check here if you wish to adopt as your petition a statement that the service has already been classified as competitive by Commission Decision:

- |  |                  |                                |
|--|------------------|--------------------------------|
| <input checked="checked" type="checkbox"/> | Decision # 64178 | Resold Long Distance           |
| <input checked="checked" type="checkbox"/> | Decision # 64178 | Resold LEC                     |
| <input type="checkbox"/>                   | Decision # 64178 | Facilities Based Long Distance |
| <input checked="checked" type="checkbox"/> | Decision # 64178 | Facilities Based LEC           |

## B. FINANCIAL INFORMATION

(B-1) Indicate if the Applicant has financial statements for the two (2) most recent years.



Yes



No

If "No," explain why and give the date on which the Applicant began operations.

(B-2) Include "Attachment D".

Provide the Applicant's financial information for the two (2) most recent years.

1. A copy of the Applicant's balance sheet.
2. A copy of the Applicant's income statement.
3. A copy of the Applicant's audit report.
4. A copy of the Applicant's retained earnings balance.
5. A copy of all related notes to the financial statements and information.

Note: Make sure "most recent years" includes current calendar year or current year reporting period.

(B-3) Indicate if the Applicant will rely on the financial resources of its Parent Company, if applicable.

**Not Applicable.**

(B-4) The Applicant must provide the following information.

1. Provide the projected total revenue expected to be generated by the provision of telecommunications services to Arizona customers for the first twelve months following certification, adjusted to reflect the maximum rates for which the Applicant requested approval. Adjusted revenues may be calculated as the number of units sold times the maximum charge per unit.
2. Provide the operating expenses expected to be incurred during the first twelve months of providing telecommunications services to Arizona customers following certification.
3. Provide the net book value (original cost less accumulated depreciation) of all Arizona jurisdictional assets expected to be used in the provision of telecommunications service to Arizona customers at the end of the first twelve months of operation. Assets are not limited to plant and equipment. Items such as office equipment and office supplies should be included in this list.
4. If the projected value of all assets is zero, please specifically state this in your response.
5. If the projected fair value of the assets is different than the projected net book value, also provide the corresponding projected fair value amounts.

**C. RESOLD AND/OR FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

(C-1) Indicate if the Applicant has a resale agreement in operation,

☐ Yes

☒ No

If "Yes", please reference the resale agreement by Commission Docket Number or Commission Decision Number.

**D. FACILITIES-BASED LONG DISTANCE AND/OR FACILITIES BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

(D-1) Indicate if the Applicant is currently selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in Arizona. This item applies to an Applicant requesting a geographic expansion of their CC&N:

☐ Yes

☒ No

If "Yes," provide the following information:

1. The date or approximate date that the Applicant began selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in Arizona.
2. Identify the types of facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services that the Applicant sells in Arizona.

If "No," indicate the date when the Applicant will begin to sell facilities-based long distance telecommunications AND/OR facilities-based local exchange telecommunications services in Arizona.

Therefore no concrete timetable has been established for the provision of service.

**E. FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

(E-1) Indicate whether the Applicant will abide by the quality of service standards that were approved by the Commission in Commission Decision Number 59421:

☒ Yes

☐ No

(E-2) Indicate whether the Applicant will provide all customers with 911 and E911 service, where available, and will coordinate with incumbent local exchange carriers ("ILECs") and emergency service providers to provide this service:



Yes



No

(E-3) Indicate that the Applicant's switch is "fully equal access capable" (i.e., would provide equal access to facilities-based long distance companies) pursuant to A.A.C. R14-2-1111 (A):



Yes



No

**Access Point will utilize the Long Distance Switches of Sprint, Qwest, MCI and several other carriers that are fully equal access capable. Access Point intends to provide Long Distance, Local as well as private line services and high-speed data services.**

I certify that if the applicant is an Arizona corporation, a current copy of the Articles of Incorporation is on file with the Arizona Corporation Commission and the applicant holds a Certificate of Good Standing from the Commission. If the company is a foreign corporation or partnership, I certify that the company has authority to transact business in Arizona. I certify that all appropriate city, county, and/or State agency approvals have been obtained. Upon signing of this application, I attest that I have read the Commission's rules and regulations relating to the regulations of telecommunications services (A.A.C. Title 14, Chapter 2, Article 11) and that the company will abide by Arizona state law including the Arizona Corporation Commission Rules. I agree that the Commission's rules apply in the event there is a conflict between those rules and the company's tariff, unless otherwise ordered by the Commission. I certify that to the best of my knowledge the information provided in this Application and Petition is true and correct.

Richard E. Brown

(Signature of Authorized Representative)

1/22/08

(Date)

Richard E. Brown

(Print Name of Authorized Representative)

President

(Title)

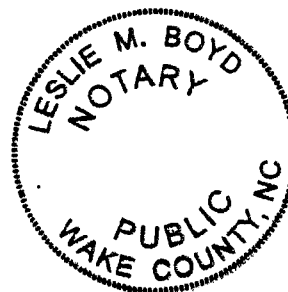
Sworn and subscribed before me this 22<sup>nd</sup> day of January 2008

Leslie M. Boyd

Signature of official administering oath

My Commission expires

June 20, 2012



ACCESS POINT, INC.

ATTACHMENT A

Articles of Incorporation, Certificate of Good Standing,  
Officers and Stockholders

# STATE OF ARIZONA



Office of the  
**CORPORATION COMMISSION**  
CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Brian C. McNeil, Executive Director of the Arizona Corporation Commission, do hereby certify that

\*\*\*ACCESS POINT, INC.\*\*\*

a foreign corporation organized under the laws of North Carolina did obtain authority to transact business in the State of Arizona on the 24th day of September 1997.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation has not had its authority revoked for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed an Application for Withdrawal as of the date of this certificate.

This certificate relates only to the legal authority of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 24th Day of January, 2008, A. D.

Executive Director

Order Number: 204357

# STATE OF NORTH CAROLINA



Department of The  
Secretary of State

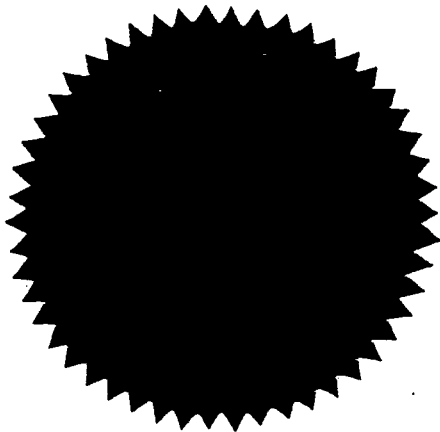
To all whom these presents shall come, Greetings:

I, Janice H. Faulkner, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF INCORPORATION  
OF  
ACCESS POINT, INC.

*the original of which is now on file and a matter of record in this office.*

*IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 6th day of June, 1996.*



*Janice H. Faulkner*  
Secretary of State



12-0394829  
FILED  
10:38 AM  
JUN 03 1996

961559022 ARTICLES OF AMENDMENT  
OF  
AMERICAN ACCESS, INC.

Pursuant to § 55-10-05 and § 55-10-06 of the General Statutes of North Carolina, the undersigned corporation (the "Corporation") hereby submits the following Articles of Amendment for the purpose of amending its Articles of Incorporation:

1. The name of the Corporation is: American Access, Inc.
2. The text of the amendment adopted is as follows:

Article 1 of the Articles of Incorporation shall be deleted in its entirety and there shall be substituted in lieu thereof a new Article 1 which shall read as follows:

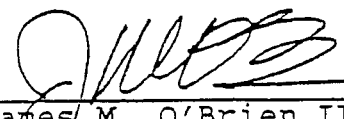
"1. The name of the corporation is Access Point, Inc."

3. The amendment does not provide for an exchange, reclassification, or cancellation of issued shares.
4. The date of adoption of the amendment was May 31, 1996.
5. The amendment was adopted by the sole incorporator without shareholder action. Shareholder action was not required because the amendment was adopted prior to the appointment of a board of directors and prior to the issuance of shares of the Corporation.
6. These articles will be effective upon filing.

This the 31st day of May, 1996.

AMERICAN ACCESS, INC.

By: SPRUILLCO, LTD., Incorporator

By:   
James M. O'Brien III  
Vice President

Lance J.M. Steinhart

Attorney At Law  
6455 East Johns Crossing  
Suite 285  
Duluth, Georgia 30155

Also Admitted in New York  
and Maryland

Telephone: (770) 232-9200  
Facsimile: (770) 232-9208

June 24, 1997

VIA OVERNIGHT DELIVERY

Ms. Donna Caton  
Chief Clerk  
Illinois Commerce Commission  
527 East Capitol Avenue  
Springfield, IL 62794

Re: Application for a Certificate of Interexchange Service  
Authority to Operate as a Reseller of Telecommunications  
Services Within the State of Illinois for Access Point,  
Inc.


Dear Ms. Caton:

Enclosed please find one original and three (3) copies of the  
Application for a Certificate of Interexchange Service Authority to  
Operate as a Reseller of Telecommunications Services Within the  
State of Illinois for Access Point, Inc.

I have also enclosed an extra copy of this letter to be time  
stamped and returned to me in the enclosed, pre-addressed, postage  
prepaid envelope.

If you have any questions or if I may provide you with  
additional information, please contact me at the above address or  
telephone number. Thank you for your attention to this matter.

Respectfully submitted,

  
Lance J.M. Steinhart

Attorney for Access Point, Inc.

Enclosures

cc: Mr. Richard E. Brown  
LJS/lmb

0-0394829

FILED

2:00pm

APR 30 1996

961209064

ARTICLES OF INCORPORATION

OF

AMERICAN ACCESS, INC.

RECEIVED

JANICE H. FAULKNER  
SECRETARY OF STATE  
NORTH CAROLINA

Pursuant to Section 55-2-02 of the General Statutes of North Carolina, the undersigned does hereby submit these Articles of Incorporation for the purpose of forming a business corporation.

1. The name of the corporation is American Access, Inc.
2. The period of duration of the corporation is perpetual.
3. The purpose for which the corporation is organized is to engage in any lawful act or activity for which corporations may be organized under Chapter 55 of the General Statutes of North Carolina.
4. The number of shares of capital stock the corporation is authorized to issue is One Million (1,000,000). These shares shall be all of one class, designated as common stock with a par value at \$.01 per share.
5. The street address and county of the initial registered office of the corporation is 102 Comrie Place, Cary, Wake County, North Carolina 27511.
6. The mailing address and the street address of the initial registered office of the corporation are the same.
7. The name of the initial registered agent is Richard E. Brown.
8. Except to the extent that the North Carolina General Statutes prohibit such limitation or elimination of liability of directors for breaches of duty, no director of the corporation shall have any personal liability arising out of an action whether by or in the right of the corporation or otherwise for monetary damages for breach of any duty as a director. No amendment to or repeal of this article shall apply to or have any effect on the liability or alleged liability of any director of the corporation for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal. The provisions of this article shall not be deemed to limit or preclude indemnification of a director by the corporation for any liability that has not been eliminated by the provisions of this article.

9. The name and address of the incorporator is Spruillco, Ltd., 3600 Glenwood Avenue, Raleigh, North Carolina 27612.

10. These articles will be effective upon filing.

This the 26<sup>th</sup> day of April, 1996.

SPRUILLCO, LTD., Incorporator

By: 

Larnuel H. Gibbons, III,  
Vice President

## **Key Management**

Access Point, Inc. was founded in 1996 by a team with over 50 years of combined experience. The following is a brief description of the qualifications and experience of Access Point's senior management team.

**Richard E. Brown – CEO.** Mr. Brown founded Access Point in March 1996. Prior to founding Access Point, he was employed at BTI which was then a regional reseller serving the BellSouth region. As a key executive of BTI, Mr. Brown helped to grow the organization from \$2.2 million in sales to over \$120 million and from 15 employees to over 500. Mr. Brown joined BTI in 1986 as Controller, and was promoted to Executive Vice President of Finance in 1991. In that role, he wrote the business plan and raised \$10 million in seed capital to start FiberSouth, a competitive access provider, as well as securing all financing required to grow BTI. In 1993, Mr. Brown also helped found Optex, a telecom billing company that specialized in developing software for switchless resellers. He served on the Board until it was sold in 1997 to Clairmont Technology and ultimately to CBSI, a publicly traded worldwide provider of information technology services. From 1980 to 1982, he was senior cost accountant at Brown Boveri Electric. In 1983, he joined Baker Perkins in Goldsboro as a plant cost accountant, and was promoted to General Accounting Manager in 1985. Mr. Brown is a 1979 graduate of the University of South Carolina with a BA in Accounting and became a CPA in 1987.

**Robin A. Byers – COO.** Mr. Byers joined Access Point in March 1996 as a co-founder. Over the last 20 years Mr. Byers has held a series of sales and management positions in the telecom industry. In 1990, he joined BTI as a Regional Sales Manager, was promoted to Divisional Sales Manager in 1992 and then to Director of Sales in 1994. As the Director of Sales, was responsible for leading the Direct Sales efforts at BTI. Mr. Byers led a Sales Team consisting of 150 Sales Representatives in 26 offices in the Southeast and Mid-Atlantic regions of the U.S. While in that role, Mr. Byers increased the average revenue-per-rep in the Direct Sales force by 11% and successfully opened 5 new markets. From 1986 to 1990, Mr. Byers was employed as a Sales Representative and promoted to Sales Manager at MOBILECOMM, a BellSouth Company. Mr. Byers attended Ohio State University.

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**J. Sean Wilson – Controller.** Sean Wilson joined Access Point in early 2004 and brings more than 13 years of unique and diverse financial experience to the company. Mr. Wilson joined us from Deltacom Communications/BTI where he served as Manager of Accounting Operations. While employed with DeltaCom/BTI, Mr. Wilson held other positions such as General Ledger Manager and Revenue Assurance Manager. Mr. Wilson is a graduate of North Carolina State University with a Degree in Accounting. He is also a Certified Public Accountant and Certified Management Accountant.

**Gregory Taylor – Vice President of Information Services**

Mr. Taylor first joined Access Point in April 1999 with over six years of experience in the industry. Prior to that, he held the position of VP of Operations with Topcoat Software, Inc. a company that he helped form in 1998. Before the formation of that venture, he was with BTI for a period of six years, beginning as a Cost Analyst in 1992 and rising to the position of Cost Accounting Manager in 1997. In 2001 Mr. Taylor left the company for a period, working for Convergys – Information Management Group in the implementation of their billing and order tracking applications. He then re-joined Access Point in 2002 to head up the development of the company's next-generation OSS. Mr. Taylor received a BS in Accounting from East Carolina University in 1991.

**Debra Pasquale – Vice President of Service Delivery**

Mrs. Pasquale brings nearly 20 years of telecommunications experience to Access Point. Working for companies such as AT&T and BTI, Debra has proven herself to be a results-driven professional with excellent leadership and management skills. Most recently, Debra held the position of Vice President of Service Delivery with ITC-Deltacom. Her career with ITC-Deltacom spanned a nine-year period, where she began as a provisioner / circuit designer. She was promoted several times up through management, becoming a Vice President with the first eight years. Her outstanding performance has been recognized by the receipt of several awards including the Operational Excellence Award for Extraordinary Achievement and the Sales MVP in 2003. Debra is currently attending Wake Technical Community College.

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**Chris Kasprzak – Director of Customer Service**

Mr. Kasprzak has over 15 years of telecommunications and service experience. He joined Access Point in 2000 and was promoted to Director of Customer Service in 2004. His previous experience includes ten years at GTE/Verizon, where he was responsible for major account development and management of a national Call Center. Prior to that, Mr. Kasprzak worked as a Sales and Marketing Director for the hotel industry. Mr. Kasprzak holds a BA in Public Administration from North Carolina Central University.

**Scott Blanton – Director of Information Technology**

Scott Blanton came to Access Point from Easter Seals of North Carolina where he served as Network Administrator from December 1995 to October 1998. Before that he was in IT Services at BTI, beginning with them in July 1994. Mr. Blanton has 8 years of industry and management experience. He holds multiple Certifications in the IT field including; Microsoft Certified Systems Engineer and Certified Novell Engineer. Mr. Blanton holds a BA in History from North Carolina State University, August 1993.

**Jared Welch – Director of Product Development**

Mr. Welch brings over 9 years of management experience to Access Point. Prior to joining Access Point, he owned and operated his own businesses. Before becoming an entrepreneur, he worked with a telecommunications company, BTI, in their service provisioning department where he received an award for making an immediate impact in the 2<sup>nd</sup> quarter of 1999. Before joining the telecommunications industry, Mr. Welch was a Manager for Midway Airlines in their Baggage Service and Operations departments from 1996 to 1999. Mr. Welch joined Access Point in 2000 and was promoted to Local Service Manager in 2001 and then on to become a Director in 2004. Mr. Welch attended the University of NC at Chapel Hill.

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**Jim Hart – Director of Operational Support Systems**

James Hart joined Access Point in 1999 after serving several years with MCI/WorldCom. After starting with Access Point as a member of the billing team, Mr. Hart rose to the position of Billing Manager and was promoted to Director of Operational Support Systems in 2006. Through his 8 years of telecommunications and service experience, Mr. Hart has successfully lead the implementation and management of multiple OSS/BSS systems. Mr. Hart received a BS in Business Administration from the Kenan-Flagler Business School at the University of North Carolina at Chapel Hill.

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ACCESS POINT, INC.

ATTACHMENT B

Proposed Local Exchange Tariff

Arizona  
LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES TARIFF  
OF  
Access Point, Inc.

This tariff contains the descriptions, regulations, and rates applicable to the provision of local exchange telecommunications services provided by Access Point, Inc., with principal offices at 1100 Crescent Green, Suite 109, Cary, North Carolina 27518, for services furnished within the State of Arizona. This tariff is on file with the Arizona Corporation Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

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Issued: January 29, 2008

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**CHECK SHEET**

Pages of this tariff are effective as of the date shown at the bottom of the respective page(s). Original and revised pages as named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this page.

Section	Page Title	Revision Original	*	Section	Page	Revision	*
				2	14	Original	*
				2	15	Original	*
Preface	1	Original	*	2	16	Original	*
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Preface	5	Original	*	2	20	Original	*
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1	1	Original	*	2	23	Original	*
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1	5	Original	*	2	27	Original	*
				2	28	Original	*
2	1	Original	*	2	29	Original	*
2	2	Original	*	2	30	Original	*
2	3	Original	*	2	31	Original	*
2	4	Original	*	2	32	Original	*
2	5	Original	*	2	33	Original	*
2	6	Original	*	2	34	Original	*
2	7	Original	*	2	35	Original	*
2	8	Original	*	2	36	Original	*
2	9	Original	*	2	37	Original	*
2	10	Original	*	2	38	Original	*
2	11	Original	*	2	39	Original	*
2	12	Original	*				
2	13	Original	*	3	1	Original	*

\* - indicates those pages included with this filing.

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Issued: January 29, 2008

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**CHECK SHEET, (CONT'D.)**

Section	Page	Revision		Section	Page	Revision
4	1	Original	*			
4	2	Original	*			

\* - indicates those pages included with this filing.

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Issued: January 29, 2008

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### EXPLANATION OF SYMBOLS

The following symbols shall be used in this tariff for the purpose indicated below:

- (C) To signify changed regulation.
- (D) To signify discontinued rate or regulation.
- (I) To signify increased rate.
- (M) To signify a move in the location of text.
- (N) To signify new rate or regulation.
- (R) To signify reduced rate.
- (S) To signify reissued matter.
- (T) To signify a change in text but no change in rate or regulation.

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Issued: January 29, 2008

Effective:

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### APPLICATION OF TARIFF

This tariff sets forth the service offerings, rates, terms and conditions applicable to the furnishing of intrastate end-user local exchange communications services by Access Point, Inc., hereinafter referred to as the Company, to Customers within the state of Arizona. Services are furnished subject to the availability of facilities and subject to the terms and conditions set forth herein.

This tariff is on file with the Arizona Corporation Commission. In addition, this tariff is available for review at the main office of Access Point, Inc. at 1100 Crescent Green, Suite 109, Cary, North Carolina 27511.

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Issued: January 29, 2008

Effective:

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## TARIFF FORMAT

- A. **Page Numbering** - Page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between pages 14 and 15 would be 14.1.
- B. **Page Revision Numbers** - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the Commission. For example, the 4th revised Page 14 cancels the 3rd revised Page 14. Because of various suspension periods, deferrals, etc., the most current page number on file with the Commission is not always the tariff page in effect. Consult the Check Sheet for the page currently in effect.
- C. **Paragraph Numbering Sequence** - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:
- 2.
  - 2.1.
  - 2.1.1.
  - 2.1.1.A.
  - 2.1.1.A.1.
  - 2.1.1.A.1.(a).
  - 2.1.1.A.1.(a).I.
  - 2.1.1.A.1.(a).I.(i).
  - 2.1.1.A.1.(a).I.(i).(1).
- D. **Check Sheets** - When a tariff filing is made with the Commission, an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the pages contained in the tariff, with a cross-reference to the current revision number. When new pages are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (\*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc. remain the same, just revised revision levels on some pages.) The tariff user should refer to the latest Check Sheet to find out if a particular page is the most current on file with the Commission.

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Issued: January 29, 2008

Effective:

Issued by:

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## SECTION 1 - DEFINITIONS

**Access Line** - An arrangement that connects the Customer's location to a Access Point switching center or point of presence.

**Account Codes** - Optional, Customer-defined digits that allow the Customer to identify the individual user, department or client associated with a call. Account Codes appear on the Customer bill.

**Advance Payment** - Part or all of a payment required before the start of service.

**Authorized User** - A person, firm, corporation, or any other entity authorized by the Customer to communicate utilizing the Company's service.

**Access Point** - Used throughout this tariff to mean Access Point, Inc. unless clearly indicated otherwise by the text.

**Business** - A class of service provided to individuals engaged in business, firms, partnerships, corporations, agencies, shops, works, tenants of office buildings, and individuals practicing a profession or operating a business who have no offices other than their residences and where the use of the service is primarily or substantially of a business, professional or occupational nature.

**Commission** - Arizona Corporation Commission.

**Company or Carrier** - Access Point, Inc., unless otherwise clearly indicated by the context.

**Customer** - The person, firm, corporation or other entity which orders, cancels, amends or uses service and is responsible for payment of charges and compliance with the Company's tariff.

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
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AZ10800

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**SECTION 1 - DEFINITIONS, (CONT'D.)**

**Deposit** - Refers to a cash or equivalent of cash security held as a guarantee for payment of the charges.

**DID Trunk** - A form of local switched access that provides the ability for an outside party to call an internal extension directly without the intervention of the Company operator.

**Dial Pulse (or "DP")** - The pulse type employed by rotary dial station sets.

**Direct Inward Dial (or "DID")** - A service attribute that routes incoming calls directly to stations, bypassing a central answering point.

**Direct Outward Dial (or "DOD")** - A service attribute that allows individual station users to access and dial outside numbers directly.

**Dual Tone Multi-Frequency (or "DTMF")** - The pulse type employed by tone dial station sets.

**End User** - Any person, firm, corporation, partnership or other entity that uses the services of the Company under the provisions and regulations of this tariff. The End User is responsible for payment unless the charges for the services utilized are accepted and paid by another Customer.

**End Office** - With respect to each NPA-NXX code prefix assigned to the Company, the location of the Company's "end office" for purposes of this tariff shall be the point of interconnection associated with that NPA-NXX code in the Local Exchange Routing Guide ("LERG"), issued by Telcordia.

**Hearing Impaired** - Those persons with communication impairments, including those hearing impaired, deaf, deaf/blind, and speech impaired persons who have an impairment that prevents them from communicating over the telephone without the aid of a telecommunications device for the deaf.

**Hunting** - Routes a call to an idle station line in a prearranged group when the called station line is busy.

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Issued: January 29, 2008

Effective:

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Jason Brown, Regulatory Affairs  
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AZI0800

**SECTION 1 - DEFINITIONS, (CONT'D.)**

**In-Only** - A service attribute that restricts outward dial access and routes incoming calls to a designated answer point.

**Independent Territory** - Independent Telephone Company locations outside of the Access Point Telecommunications Service area.

**IXC or Interexchange Carrier** - A long distance telecommunications services provider.

**LATA** - A Local Access and Transport Area established pursuant to the Modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192; or any other geographic area designated as a LATA in the National Exchange Carrier Association, Inc. Tariff F.C.C. No. 4.

**LEC** - Local Exchange Company.

**Minimum Point of Presence ("MPOP")** - The main telephone closet in the Customer's building.

**Monthly Recurring Charges** - The monthly charges to the Customer for services, facilities and equipment, which continue for the agreed upon duration of the service.

**Multi-Frequency or ("MF")** - An inter-machine pulse-type used for signaling between telephone switches, or between telephone switches and PBX/key systems.

**Non-Recurring Charge ("NRC")** - The initial charge, usually assessed on a one-time basis, to initiate and establish service.

**Other Telephone Company** - An Exchange Telephone Company, other than the Company.

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Issued: January 29, 2008

Effective:

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AZI0800

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**SECTION 1 - DEFINITIONS, (CONT'D.)**

**PBX** - Private Branch Exchange

**Premises** - A building or buildings on contiguous property.

**Recurring Charges** - The monthly charges to the Customer for services, facilities and equipment which continue for the agreed upon duration of the service.

**Residence or Residential** - A class of service furnished to a Customer at a place of dwelling where the actual or obvious use is for domestic purposes.

**Service Commencement Date** - The first day following the date on which the Company notifies the Customer that the requested service is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards set forth in the Service Order or this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance. The Company and Customer may mutually agree on a substitute Service Commencement Date.

**Service Order** - The written request for services executed by the Customer and the Company in the format devised by the Company. The signing of a Order by the Customer and acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff, but the duration of the service is calculated from the Service Commencement Date.

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Issued: January 29, 2008

Effective:

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**SECTION 1 - DEFINITIONS, (CONT'D.)**

**Two Way** - A service attribute that includes outward dial capabilities for outbound calls and can also be used to carry inbound calls to a central point for further processing.

**Usage Based Charges** - Charges for minutes or messages traversing over local exchange facilities.

**User or End User** - A Customer, Joint User, or any other person authorized by a Customer to use service provided under this tariff.

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## SECTION 2 – RULES AND REGULATIONS

### 2.1 Undertaking of the Company

#### 2.1.1 Scope

The Company undertakes to furnish communications service pursuant to the terms of this tariff in connection with one-way and/or two-way information transmission between points within the state of Arizona.

The Company is responsible under this tariff only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own customers.

#### 2.1.2 Shortage of Equipment or Facilities

- (A) The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond Company control.
- (B) The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.1 Undertaking of the Company, (Cont'd.)**

**2.1.3 Terms and Conditions**

- (A) Service is provided on the basis of a minimum period of at least thirty (30) days, 24-hours per day. For the purpose of computing charges in this tariff, a month is considered to have 30 days.
- (B) Except as otherwise stated in this tariff, Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. Customers will also be required to execute any other documents as may be reasonably requested by the Company.
- (C) At the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month-to-month basis at the then current rates unless terminated by either party upon notice. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations that by their nature extend beyond the termination of the term of the service order shall survive such termination.
- (D) In any action between the parties to enforce any provision of this tariff, the prevailing party shall be entitled to recover its legal fees and court costs from the non-prevailing party in addition to other relief a court may award.
- (E) Service may be terminated upon written notice to the Customer if:
  - (1) the Customer is using the service in violation of this tariff; or
  - (2) the Customer is using the service in violation of the law.
- (F) This tariff shall be interpreted and governed by the laws of the state of Arizona regardless of its choice of laws provision.

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.1 Undertaking of the Company, (Cont'd.)**

**2.1.3 Terms and Conditions, (cont'd.)**

- (G) Any other telephone company may not interfere with the right of any person or entity to obtain service directly from the Company. No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Company.
- (H) To the extent that either the Company or any other telephone company exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity, the party exercising such control shall make them available to the other on terms equivalent to those under which the Company makes similar facilities under its control available to its Customers. At the reasonable request of either party, the Company and the other telephone company shall join the attempt to obtain from the owner of the property access for the other party to serve a person or entity.

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.1 Undertaking of the Company, (Cont'd.)**

**2.1.4 Limitations on Liability**

- (A) Except as otherwise stated in this section, the liability of the Company for damages arising out of either: (1) the furnishing of its services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services or (2) the failure to furnish its service, whether caused by acts or omission, shall be limited to the extension of allowances to the Customer for interruptions in service as set forth in Section 2.9 of this tariff.
- (B) Except for the extension of allowances to the Customer for interruptions in service as set forth in Section 2.9 of this tariff, the Company shall not be liable to a Customer or third party for any direct, indirect, special, incidental, reliance, consequential, exemplary or punitive damages, including, but not limited to, loss of revenue or profits, for any reason whatsoever, including, but not limited to, any act or omission, failure to perform, delay, interruption, failure to provide any service or any failure in or breakdown of facilities associated with the service.
- (C) The liability of the Company for errors in billing that result in overpayment by the Customer shall be limited to a credit equal to the dollar amount erroneously billed or, in the event that payment has been made and service has been discontinued, to a refund of the amount erroneously billed.

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.1 Undertaking of the Company, (Cont'd.)**

**2.1.4 Limitations on Liability, (cont'd.)**

- (D) The Company shall be indemnified and saved harmless by the Customer from and against all loss, liability, damage and expense, including reasonable counsel fees, due to:
- (1) Any act or omission of: (a) the Customer, (b) any other entity furnishing service, equipment or facilities for use in conjunction with services or facilities provided by the Company; or (c) common carriers or warehousemen, except as contracted by the Company;
  - (2) Any delay or failure of performance or equipment due to causes beyond the Company's control, including but not limited to, acts of God, fires, floods, earthquakes, hurricanes, or other catastrophes; national emergencies, insurrections, terrorists acts, riots, wars or other civil commotions; strikes, lockouts, work stoppages or other labor difficulties; criminal actions taken against the Company; unavailability, failure or malfunction of equipment or facilities provided by the Customer or third parties; and any law, order, regulation or other action of any governing authority or agency thereof;
  - (3) Any unlawful or unauthorized use of the Company's facilities and services;
  - (4) Libel, slander, invasion of privacy or infringement of patents, trade secrets, or copyrights arising from or in connection with the material transmitted by means of Company-provided facilities or services; or by means of the combination of Company-provided facilities or services;
  - (5) Breach in the privacy or security of communications transmitted over the Company's facilities;

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.1 Undertaking of the Company, (Cont'd.)**

**2.1.4 Limitations on Liability, (cont'd.)**

**(D) (continued)**

- (6) Changes in any of the facilities, operations or procedures of the Company that render any equipment, facilities or services provided by the Customer obsolete, or require modification or alteration of such equipment, facilities or services, or otherwise affect their use or performance, except where reasonable notice is required by the Company and is not provided to the Customer, in which event the Company's liability is limited as set forth in paragraph A. of this Subsection 2.1.4.
- (7) Defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof;
- (8) Injury to property or injury or death to persons, including claims for payments made under Workers' Compensation law or under any plan for employee disability or death benefits, arising out of, or caused by, any act or omission of the Customer, or the construction, installation, maintenance, presence, use or removal of the Customer's facilities or equipment connected, or to be connected to the Company's facilities;
- (9) Any noncompletion of calls due to network busy conditions;
- (10) Any calls not actually attempted to be completed during any period that service is unavailable;
- (11) And any other claim resulting from any act or omission of the Customer or patron(s) of the Customer relating to the use of the Company's services or facilities.

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Issued: January 29, 2008

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.1 Undertaking of the Company, (Cont'd.)**

**2.1.4 Limitations on Liability, (cont'd.)**

- (E) The Company does not guarantee nor make any warranty with respect to installations provided by it for use in an explosive atmosphere.
- (F) The Company makes no warranties or representations, EXPRESS OR IMPLIED, either in fact or by operation of law, statutory or otherwise, including warranties of merchantability or fitness for a particular use, except those expressly set forth herein.
- (G) Failure by the Company to assert its rights pursuant to one provision of this tariff does not preclude the Company from asserting its rights under other provisions.
- (H) **Directory Errors** - In the absence of gross negligence or willful misconduct, no liability for damages arising from errors or mistakes in or omissions of directory listings, or errors or mistakes in or omissions of listing obtainable from the directory assistance operator, including errors in the reporting thereof, shall attach to the Company. An allowance for errors or mistakes in or omissions of published directory listings or for errors or mistakes in or omissions of listing obtainable from the directory assistance operator shall be at the monthly tariff rate for each listing, or in the case of a free or no-charge directory listing, credit shall equal two times the monthly tariff rate for an additional listing, for the life of the directory or the charge period during which the error, mistake or omission occurs.

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.1 Undertaking of the Company, (Cont'd.)**

**2.1.4 Limitations on Liability, (cont'd.)**

**(I) With respect to Emergency Number 911 Service:**

- (1)** This service is offered solely as an aid in handling assistance calls in connection with fire, police and other emergencies. The Company is not responsible for any losses, claims, demands, suits or any liability whatsoever, whether suffered, made instituted or asserted by the Customer or by any other party or person for any personal injury or death of any person or persons, and for any loss, damage or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused by: (1) mistakes, omissions, interruptions, delays, errors or other defects in the provision of service, or (2) installation, operation, failure to operate, maintenance, removal, presence, condition, local or use of any equipment and facilities furnishing this service.
- (2)** Neither is the Company responsible for any infringement, nor invasion of the right of privacy of any person or persons, caused or claimed to have been caused directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of emergency 911 service features and the equipment associated therewith, or by any services furnished by the Company, including, but not limited to the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing emergency 911 service, and which arise out of the negligence or other wrongful act of the Company, the Customer, its users, agencies or municipalities, or the employees or agents of any one of them.

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
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AZI0800

**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)****2.1 Undertaking of the Company, (Cont'd.)****2.1.4 Limitations on Liability, (cont'd.)****(I) With respect to Emergency Number 911 Service, (cont'd.)**

- (3) When a Customer with a nonpublished telephone number, as defined herein, places a call to the emergency 911 service, the Company will release the name and address of the calling party, where such information can be determined, to the appropriate local governmental authority responsible for emergency 911 service upon request of such governmental authority. By subscribing to service under this tariff, the Customer acknowledges and agrees with the release of information as described above.

**2.1.5 Notification of Service-Affecting Activities**

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' services. No specific advance notification period is applicable to service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
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AZ10800

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.1 Undertaking of the Company, (Cont'd.)**

**2.1.6 Provision of Equipment and Facilities**

- (A) The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this tariff. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.
- (B) The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- (C) The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided the Customer.
- (D) Equipment the Company provides or installs at the Customer Premises for use in connection with the services the Company offers shall not be used for any purpose other than that for which it was provided.
- (E) The Customer shall be responsible for the payment of service charges as set forth herein for visits by the Company's agents or employees to the Premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.

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Issued: January 29, 2008

Effective:

Issued by:

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AZ10800

**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.1 Undertaking of the Company, (Cont'd.)**

**2.1.6 Provision of Equipment and Facilities, (cont'd.)**

(F) The Company shall not be responsible for the installation, operation, or maintenance of any Customer-provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:

- (1) the transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or
- (2) the reception of signals by Customer-provided equipment.

**2.1.7 Non-routine Installation**

At Customer request, installation and/or maintenance may be performed outside the regular business hours or the Company or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours, but, at Customer request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

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Issued: January 29, 2008

Effective:

Issued by:

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AZ10800



**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)****2.1 Undertaking of the Company, (Cont'd.)****2.1.8 Special Construction**

Subject to the agreement of the Company and to all of the regulations contained in this tariff, special construction of facilities may be undertaken on a reasonable efforts basis at the request and expense of the Customer. Special construction is that construction undertaken:

- (A) where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- (B) of a type other than that which the Company would normally utilize in the furnishing of its services;
- (C) over a route other than that which the Company would normally utilize in the furnishing of its services;
- (D) in a quantity greater than that which the Company would normally construct;
- (E) on an expedited basis;
- (F) on a temporary basis until permanent facilities are available;
- (G) involving abnormal costs; or
- (H) in advance of its normal construction.

**2.1.9 Ownership of Facilities**

Title to all facilities provided in accordance with this tariff remains in the Company, its partners, agents, contractors or suppliers.

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Issued: January 29, 2008

Effective:

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.2 Prohibited Uses**

- 2.2.1** The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- 2.2.2** The Company may require applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and Commission regulations, policies, orders, and decisions.
- 2.2.3** The Company may block any signals being transmitted over its Network by Customers that cause interference to the Company or other users. Customer shall be relieved of all obligations to make payments for charges relating to any blocked Service and shall indemnify the Company for any claim, judgment or liability resulting from such blockage.
- 2.2.4** A Customer, joint user, or authorized user may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and non-recurring installation charges as stated in this tariff will apply.

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Issued: January 29, 2008

Effective:

Issued by:

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AZ10800

**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)****2.3 Obligations of the Customer****2.3.1 General**

The Customer is responsible for making proper application for service; placing any necessary order, complying with tariff regulations; payment of charges for services provided. Specific Customer responsibilities include, but are not limited to the following:

- (A) the payment of all applicable charges pursuant to this tariff;
- (B) damage to or loss of Company facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer Premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
- (C) providing at no charge, as specified from time to time by the Company, any needed personnel, equipment space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;
- (D) obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduits necessary for installation of fiber optic cable and associated equipment used to provide Communication Services to the Customer from the cable building entrance or property line to the location of the equipment space described in 2.3.1(C.) Any and all costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company-provided facilities, shall be borne entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;

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Issued: January 29, 2008

Effective:

Issued by:

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AZ10800

**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)****2.3 Obligations of the Customer, (Cont'd.)****2.3.1 General, (cont'd.)**

- (E) providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company opinion, injury or damage to Company employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. asbestos) prior to any construction or installation work;
- (F) complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible under Section 2.3.1.D.; and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- (G) not creating, or allowing to be placed, any liens or other encumbrances on Company equipment or facilities; and
- (H) making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes.

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Issued: January 29, 2008

Effective:

Issued by:

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AZ10800

**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.3 Obligations of the Customer, (Cont'd.)**

**2.3.2 Liability of the Customer**

- (A) The Customer will be liable for damages to the facilities of the Company and for all incidental and consequential damages caused by the negligent or intentional acts or omissions of the Customer, its officers, employees, agents, invitees, or contractors where such acts or omissions are not the direct result of Company negligence or intentional misconduct.
- (B) To the extent caused by any negligent or intentional act of the Customer as described in A., preceding, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees, for (1) any loss, destruction or damage to property of any third party, and (2) any liability incurred by the Company to any third party, pursuant to this or any other tariff of the Company, or otherwise, for any interruption of, interference to, or other defect in any service provided by the Company to such third party.
- (C) The Customer shall not assert any claim against any other Customer or user of Company services for damages resulting in whole or in part from or arising in connection with the furnishing of service under this tariff including but not limited to mistakes, omissions, interruptions, delays, errors or other defects or misrepresentations, whether or not such other Customer or user contributed in any way to the occurrence of the damages, unless such damages were caused solely by the negligent or intentional act or omission of the other Customer or user and not by any act or omission of the Company. Nothing in this tariff is intended either to limit or to expand the Customer right to assert any claims against third parties for damages of any nature other than those described in the preceding sentence.

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Issued: January 29, 2008

Effective:

Issued by:

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AZ10800

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)****2.4 Customer Equipment and Channels****2.4.1 General**

A User may transmit or receive information or signals via the facilities of the Company. Company services are designed primarily for the transmission of voice-grade telephonic signals, except as otherwise stated in this tariff. A User may transmit any form of signal that is compatible with Company equipment, but the Company does not guarantee that its services will be suitable for purposes other than voice-grade telephonic communication except as specifically stated in this tariff.

**2.4.2 Station Equipment**

- (A) Terminal equipment on Customer Premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the Customer. The Customer is responsible for the provision of wiring or cable to connect its terminal equipment to the Company Point of Connection.
- (B) The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to Company employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at Customer expense, subject to prior Customer approval of the equipment expense.

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Issued: January 29, 2008

Effective:

Issued by:

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AZ10800

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.4 Customer Equipment and Channels, (Cont'd.)**

**2.4.3 Interconnection of Facilities**

- (A) Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Communication Services and the channels, facilities, or equipment of others shall be provided at the Customer's expense.
- (B) Communication Services may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers that are applicable to such connections.
- (C) Facilities furnished under this tariff may be connected to Customer-provided terminal equipment in accordance with the provisions of this tariff. All such terminal equipment shall be registered by the Federal Communications Commission pursuant to Part 68 of Title 47, Code of Federal Regulations; and all Customer-provided wiring shall be installed and maintained in compliance with those regulations.
- (D) Users may interconnect communications facilities that are used in whole or in part for interstate communications to services provided under this tariff only to the extent that the user is an "End User", as defined in Section 69.2(m), Title 47, Code of Federal Regulations (1992 edition).

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
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AZ10800

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.4 Customer Equipment and Channels, (Cont'd.)**

**2.4.4 Inspections**

- (A) Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in Section 2.4.2.A. for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.
- (B) If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice, the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.

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Issued: January 29, 2008

Effective:

Issued by:

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AZ10800



**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)****2.5 Payment Arrangements****2.5.1 Payment for Service**

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer and to all Authorized Users by the Customer, regardless of whether those services are used by the Customer itself or are resold to or shared with other persons.

The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state, federal and 911 taxes, charges or surcharges (however designated) (excluding taxes on Company net income) imposed on or based upon the provision, sale or use of Network Services.

The security of the Customer PIN is the responsibility of the Customer. All calls placed using a PIN shall be billed to and shall be the obligation of the Customer. The Customer shall not be responsible for charges in connection with the unauthorized use of PINs arising after the Customer notifies the Company of the loss, theft, or other breach of security of such PINs.

Customers will only be charged once, on either an interstate or intrastate basis, for any nonrecurring charges.

**2.5.2 Billing and Collection of Charges**

The Customer is responsible for payment of all charges incurred by the Customer or other Authorized Users for services and facilities furnished to the Customer by the Company.

- (A) Nonrecurring charges are due and payable within thirty (30) days after the invoice date, unless otherwise agreed to in advance.
- (B) The Company shall present invoices for recurring charges monthly to the Customer, in advance of the month in which service is provided, and Recurring Charges shall be due and payable within thirty (30) days after the invoice date. When billing is based on customer usage, charges will be billed monthly for the preceding billing periods.

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Issued: January 29, 2008

Effective:

Issued by:

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AZ10800

**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.5 Payment Arrangements, (Cont'd.)**

**2.5.2 Billing and Collection of Charges, (cont'd.)**

- (C) When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have thirty (30) days.
- (D) Billing of the Customer by the Company will begin on the Service Commencement Date, which is the first day following the date on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.
- (E) If any portion of the payment is not received by the Company, or if any portion of the payment is received by the Company in funds that are not immediately available, within twenty (20) days of the mail date on the bill, then a late payment penalty shall be due the Company. The late payment penalty shall be that portion of the payment not received by the date due minus any charges billed as local taxes multiplied by 1.5%.
- (F) The Customer will be assessed a *maximum* charge of thirty-five (\$35.00) for each check submitted by the Customer to the Company that a financial institution refuses to honor.
- (G) If service is disconnected by the Company in accordance with Section 2.6 following and later restored, restoration of service will be subject to all applicable installation charges.

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Issued: January 29, 2008

Effective:

Issued by:

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Cary, North Carolina 27518

AZI0800

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)****2.5 Payment Arrangements, (Cont'd.)****2.5.3 Disputed Bills**

- (A) In the event that a billing dispute occurs concerning any charges billed to the Customer by the Company, the Company shall require the Customer to pay the undisputed portion of the bill to avoid discontinuance of service for non-payment. The Customer must submit a documented claim for the disputed amount. The Customer will submit all documentation as may reasonably be required to support the claim. All claims must be submitted to the Company within 90 days of receipt of billing for those services. If the Customer does not submit a claim as stated above, the Customer waives all rights to filing a claim thereafter.
- (B) Unless disputed the invoice shall be deemed to be correct and payable in full by the Customer. If the Customer is unable to resolve any dispute with the Company, then the Customer may file a complaint with the Arizona Corporation Commission, 1200 West Washington Street, Phoenix, Arizona 85007.
- (C) If the dispute is resolved in favor of the Customer and the Customer has withheld the disputed amount, no interest, credits or penalties will apply.

**2.5.4 Advance Payments**

To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished and each month thereafter. The advance payment will not exceed an amount equal to the non-recurring charge(s) and one month's charges for the service or facility. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated non-recurring charges for the special construction and recurring charges (if any) for a period to be set between the Company and the Customer. The advance payment will be credited to the Customer's initial bill. An advance payment may be required in addition to a deposit.

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Issued: January 29, 2008

Effective:

Issued by:

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Cary, North Carolina 27518

AZ10800

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.5 Payment Arrangements, (Cont'd.)**

**2.5.5 Deposits**

- (A) The Company may, in order to safeguard its interests, require a Customer which has a proven history of late payments to the Company or does not have established credit or fails to meet the Company's credit standards to make a deposit prior to or at any time after the provision of service to the Customer to be held by the Company as a guarantee of the payment of rates and charges. No such deposit will be required of a Customer which has established satisfactory credit and has no history of late payments to the Company.
- (B) The amount of the deposit which may be required of a Customer for the purpose of establishing credit shall not exceed two (2) times the estimated average monthly bill for residential Customers and two and one-half (2 ½) times the estimated average monthly bill for non-residential Customers. The amount of deposit may be adjusted at the request of the Customer at any time when the character, purpose, or degree of the Customer's use of the service has materially changed, or when it is indicated that it will change.
- (C) The making of a deposit shall not relieve any Customer of the obligation to pay current bills when due. A deposit shall only be applied to the indebtedness of the Customer for jurisdictional telecommunications services of the provider.
- (D) The Company will pay interest on deposits, to accrue from the date the deposit is made until it has been refunded, or until a reasonable effort has been made to effect refund. The Company will pay interest at the rate prescribed by the Commission.

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Issued: January 29, 2008

Effective:

Issued by:

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AZ10800

**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.5 Payment Arrangements, (Cont'd.)**

**2.5.5 Deposits, (cont'd.)**

- (E) The Company shall keep a record of each deposit until the deposit is returned. The record will show the name of each Customer making a deposit; the premises occupied by the Customer when making the deposit and each successive premises occupied while the deposit is retained by the Company; the amount and date of making the deposit; and a record of each transaction, such as the payment of interest, interest credited, etc., concerning the deposit. Concurrently with receiving a deposit, the Company will provide the Customer a receipt showing the deposit date, the name and billing address of the Customer and the deposit amount.
- (F) Upon discontinuance of service, or when a Customer has established credit by other means, the Company will promptly refund any deposit, plus accrued simple interest, or the balance, if any, in excess of the unpaid bills for the services furnished by the Company. A transfer of service from one location to another within the Company's serving area shall not be deemed a discontinuance with the Company if the character of the service remains unchanged.
- (G) Deposits will be refunded after twelve months of timely payment, with interest as specified above.

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
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AZ10800

**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)****2.6 Discontinuance of Service****2.6.1 Cancellation by Customer**

Customers may cancel service verbally or in writing. The Company shall hold the Customer responsible for payment of all charges, including fixed fees, surcharges, etc., which accrue up to the cancellation date. Customers that cancel the primary local exchange line will have the entire Account disconnected, including any secondary line and all associated features. In the event the Customer executes a term commitment agreement with the Company, the Customer must cancel service and terminate the agreement in accordance with the agreement terms.

**2.6.2 Discontinuance by the Company**

(A) Company may, by giving five (5) days written notice to the Customer, discontinue or suspend service without incurring any liability for any of the following reasons:

- (1) Failure of the Customer to pay a bill for utility service;
- (2) Customer violation of any of the Company tariffs on file with Commission;
- (3) Customer violation of the Commission's rules and regulations;
- (4) Failure to meet or maintain the Company's credit and deposit requirements;
- (5) Failure of the Customer to provide the Company reasonable access to its equipment and property;
- (6) Customer breach of contract for service between the Company and the Customer;
- (7) When necessary for the Company to comply with an order from any governmental agency having jurisdiction, or;
- (8) Unauthorized resale of the equipment or services of the Company.

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Issued: January 29, 2008

Effective:

Issued by:

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AZ10800

**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.6 Discontinuance of Service, (Cont'd.)**

**2.6.2 Discontinuance by the Company, (cont'd.)**

- (B)** The Company may disconnect service without advance written notice for any of the following:
- (1)** The existence of an obvious hazard to the safety or health of the consumer, the general population or of the Company's personnel or facilities;
  - (2)** The Company has evidence of tampering or evidence of fraud.

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
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AZ10800

**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.7 Cancellation of Application for Service**

- 2.7.1** Applications for service cannot be canceled without Company agreement. Where the Company permits a Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.
- 2.7.2** Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs incurred by the Company, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service commenced (all discounted to present value at six percent).
- 2.7.3** Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred by the Company, less net salvage, applies. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.
- 2.7.4** The special charges described in 2.7.1 through 2.7.3 above, will be calculated and applied on a case-by-case basis.

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Issued: January 29, 2008

Effective:

Issued by:

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AZ10800



**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.8 Changes in Service Requested**

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fee shall be adjusted accordingly.

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Issued: January 29, 2008

Effective:

Issued by:

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AZ10800

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)****2.9 Allowances for Interruptions in Service**

Interruptions in service that are not due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer or the operation or malfunction of the facilities, power or equipment provided by the Customer, will be credited to the Customer as set forth in 2.9.1 below for the part of the service that the interruption affects.

**2.9.1 General**

- (A) A credit allowance will be given when service is interrupted, except as specified below. A service is interrupted when it becomes inoperative to the Customer, e.g., the Customer is unable to transmit or receive, because of a failure of a component furnished by the Company under this tariff.
- (B) An interruption period begins when the Customer reports a service, facility or circuit to be inoperative and, if necessary, releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative.
- (C) If the Customer reports a service, facility or circuit to be interrupted but declines to release it for testing and repair, or refuses access to its premises for test and repair by the Company, the service, facility or circuit is considered to be impaired, but not interrupted. No credit allowances will be made for a service, facility or circuit considered by the Company to be impaired.
- (D) The Customer shall be responsible for the payment of service charges as set forth herein for visits by the Company's agents or employees to the premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.

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Issued: January 29, 2008

Effective:

Issued by:

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Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.9 Allowances for Interruptions in Service, (Cont'd.)**

**2.9.2 Limitations of Allowances**

No credit allowance will be made for any interruption in service:

- (A) Due to the negligence of or noncompliance with the provisions of this tariff by any person or entity other than the Company, including but not limited to the Customer;
- (B) Due to the failure of power, equipment, systems, connections or services not provided by the Company;
- (C) Due to circumstances or causes beyond the reasonable control of the Company;
- (D) During any period in which the Company is not given full and free access to its facilities and equipment for the purposes of investigating and correcting interruptions;
- (E) A service will not be deemed to be interrupted if a Customer continues to voluntarily make use of such service. If the service is interrupted, the Customer can get a service credit, use another means of communications provided by the Company (pursuant to Section 2.9.3 below), or utilize another service provider;
- (F) During any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- (G) That occurs or continues due to Customer failure to authorize replacement of any element of special construction; and
- (H) That was not reported to the Company within thirty (30) days of the date that service was affected.

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Issued: January 29, 2008

Effective:

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.9 Allowances for Interruptions in Service, (Cont'd.)**

**2.9.3 Use of Another Means of Communications**

If the Customer elects to use another means of communications during the period of interruption, the Customer must pay the charges for the alternative service used.

**2.9.4 Application of Credits for Interruptions in Service**

- (A) Credits for interruptions in service that is provided and billed on a flat rate basis for a minimum period of at least one month, beginning on the date that billing becomes effective, shall in no event exceed an amount equivalent to the proportionate charge to the Customer for the period of service during which the event that gave rise to the claim for a credit occurred. A credit allowance is applied on a pro rata basis against the rates specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit.
- (B) For calculating credit allowances, every month is considered to have thirty (30) days.
- (C) A credit allowance will be given for interruptions of thirty (30) minutes or more. Two or more interruptions of fifteen (15) minutes or more during any one 24-hour period shall be combined into one cumulative interruption.

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Issued: January 29, 2008

Effective:

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)****2.9 Allowances for Interruptions in Service, (Cont'd.)****2.9.4 Application of Credits for Interruptions in Service, (cont'd.)****(D) Interruptions of 24 Hours or Less**

<b>Length of Interruption</b>	<b>Amount of Service To Be Credited</b>
Less than 30 minutes	None
30 minutes up to but not including 3 hours	1/10 Day
3 hours up to but not including 6 hours	1/5 Day
6 hours up to but not including 9 hours	2/5 Day
9 hours up to but not including 12 hours	3/5 Day
12 hours up to but not including 15 hours	4/5 Day
15 hours up to but not including 24 hours	One Day

**(E) Interruptions Over 24 Hours and Less Than 72 Hours**

Interruptions over 24 hours and less than 72 hours will be credited 1/5 day for each 3-hour period or fraction thereof. No more than one full day's credit will be allowed for any period of 24 hours.

**(F) Interruptions Over 72 Hours**

Interruptions over 72 hours will be credited 2 days for each full 24-hour period. No more than thirty (30) days credit will be allowed for any one month period.

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Issued: January 29, 2008

Effective:

Issued by:

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)****2.9 Allowances for Interruptions in Service, (Cont'd.)****2.9.5 Cancellation For Service Interruption**

Cancellation or termination for service interruption is permitted only if any circuit experiences a single continuous outage of 8 hours or more or cumulative service credits equaling 16 hours in a continuous 12-month period. The right to cancel service under this provision applies only to the single circuit that has been subject to the outage or cumulative service credits.

**2.10 Use of Customer Service by Others****2.10.1 Joint Use Arrangements**

Joint use arrangements will be permitted for all services provided under this tariff. From each joint use arrangement, one member will be designated as the Customer responsible for the manner in which the joint use of the service will be allocated. The Company will accept orders to start, rearrange, relocate, or discontinue service only from the designated Customer. Without affecting ultimate Customer responsibility for payment of all charges for the service, each joint user shall be responsible for the payment of the charges billed to it.

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Issued: January 29, 2008

Effective:

Issued by:

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)****2.11 Cancellation of Service/Termination Liability**

If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption (as defined in Section 2.9.1 above), the Customer agrees to pay to the Company termination liability charges, as defined below. These charges shall become due as of the effective date of the cancellation or termination and be payable within the period, set forth in Section 2.5.2 of this tariff.

**2.11.1 Termination Liability**

The Customer's termination liability for cancellation of service shall be equal to:

- (A) all unpaid Non-Recurring charges reasonably expended by the Company to establish service to the Customer; plus
- (B) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of the Customer; plus
- (C) all Recurring Charges specified in the applicable Service Order Tariff for the balance of the then current term.

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Issued: January 29, 2008

Effective:

Issued by:

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.12 Transfers and Assignments**

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties:

**2.12.1** to any subsidiary, parent company or affiliate of the Company; or

**2.12.2** pursuant to any sale or transfer of substantially all the assets of the Company; or

**2.12.3** pursuant to any financing, merger or reorganization of the Company.

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Issued: January 29, 2008

Effective:

Issued by:

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)****2.13 Customer Liability for Unauthorized Use of the Network**

Unauthorized use of the network occurs when a person or entity that does not have actual, apparent, or implied authority to use the network, obtains Company services provided under this tariff.

**2.13.1 Customer Liability for Fraud and Unauthorized Use of the Network**

- (A) The Customer is liable for the unauthorized use of the network obtained through the fraudulent use of a Company calling card, if such a card is offered by the Company, or an accepted credit card, provided that the unauthorized use occurs before the Company has been notified.
- (B) A Company calling card is a telephone calling card issued by the Company at Customer request, which enables the Customer or user(s) authorized by the Customer to place calls over the Network and to have the charges for such calls billed to the Customer account.

An accepted credit card is any credit card that a cardholder has requested or applied for and received, or has signed, used, or authorized another person to use to obtain credit. Any credit card issued as a renewal or substitute in accordance with this paragraph is an accepted credit card when received by the cardholder.

- (C) The Customer must give the Company written or oral notice that an unauthorized use of a Company calling card or an accepted credit card has occurred or may occur as a result of loss, and/or theft.
- (D) The Customer is responsible for payment of all charges for calling card services furnished to the Customer or to users authorized by the Customer to use service provided under this tariff, unless unauthorized use is due to the negligence of the Company. This responsibility is not changed due to any use, misuse, or abuse of the Customer's service or Customer-provided equipment by third parties, Customer employees, or the public.

The liability of the Customer for unauthorized use of the Network by credit card fraud will not exceed the lesser of fifty dollars (\$50.00) or the amount of money, property, labor, or services obtained by the unauthorized user before notification to the Company.

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Issued: January 29, 2008

Effective:

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.14 Notices and Communications**

- 2.14.1** The Customer shall designate on the Service Order an address to which the Company shall mail or deliver all notices and other communications, except that the Customer may also designate a separate address to which Company bills for service shall be mailed.
- 2.14.2** The Company shall designate on the Service Order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.
- 2.14.3** Except as otherwise stated in this tariff, all notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- 2.14.4** The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

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Issued: January 29, 2008

Effective:

Issued by:

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)****2.15 Taxes, Fees and Surcharges**

The Company reserves the right to bill any and all applicable taxes, fees and surcharges in addition to normal rates and charges for services provided to the Customer. Taxes and fees include, but are not limited to: Federal Excise Tax, State Sales Tax, Municipal Tax, and Gross Receipts Tax. Unless otherwise specified in this tariff, such taxes, fees and surcharges are in addition to rates as quoted in this tariff and will be itemized separately on Customer invoices.

**2.15.1 Arizona Universal Service Fund (AUSF)**

In addition to all other taxes and fees that are listed herein or passed through in the normal course of business (e.g. sales tax), the Company shall also add an amount to be collected to each bill for recovery of the Arizona Universal Service Fund (AUSF).

Towards the ultimate goal that basic service be available and affordable to all citizens of the state, the Arizona Corporation Commission has created support mechanisms to assist in the provision of such service in high-cost areas. Pursuant to Arizona Administrative Code, R14-2, Article 12, the Rule directs that the surcharge will be levied on all telecommunications service purchased by end-users.

The Arizona Universal Service Fund (AUSF) surcharge will be the amount set forth in the Arizona Administrative Code, R14-2, Article 12. The percentage and amounts set forth will be subject to periodic adjustment by the Company.

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Issued: January 29, 2008

Effective:

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.16 Miscellaneous Provisions**

**2.16.1 Telephone Number Changes**

Whenever any Customer telephone number is changed after a directory is published, the Company shall intercept all calls to the former number and give the calling party the new number provided existing central office equipment will permit, and the Customer so desires.

When service in an existing location is continued for a new Customer, the existing telephone number may be retained by the new Customer only if the former Customer consents in writing, and if all charges against the account are paid or assumed by the new Customer.

**2.16.2 Maintenance and Operations Records**

Records of various tests and inspections, to include non-routine corrective maintenance actions or monthly traffic analysis summaries for network administration, necessary for the purposes of the Company or to fulfill the requirements of Commission rules shall be kept on file in the office of the Company as required under Commission rules.

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Issued: January 29, 2008

Effective:

Issued by:

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### SECTION 3 - SERVICE AREAS

#### 3.1 Exchange Service Areas

Local exchange services are provided, subject to availability of facilities and equipment, in areas currently served by the following Incumbent LECs:

- 1) Qwest Corporation

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
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**SECTION 4 - SERVICE OFFERINGS****4.1 Calculation of Distance**

For mileage sensitive services, the distance between originating and terminating points of a private line facility are determined using vertical ("V") and horizontal ("H") coordinates for the serving wire center(s) or Access Point's access point(s) associated with the facility. For purposes of determining the airline mileage of a call the Company references the V and H coordinates as found in Telcordia's V&H Tape and NECA FCC Tariff No. 4. The use of coordinates for wire centers versus access points and the method for calculating actual distances varies based on the type of service and the form of access used to reach the Access Point network.

For non-switched private line services, mileage measurements are based on the distance in airline miles between Access Point access points associated with each end of the circuit. Distance measurements are determined using the mileage calculation method shown in section 4.1.1.

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Issued: January 29, 2008

Effective:

Issued by:

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**SECTION 4 - SERVICE OFFERINGS, (CONT'D.)****4.1 Calculation of Distance, (Cont'd.)****4.1.1 Calculation Method for Private Line Services**

The following steps describe the procedure for calculating mileage distances for private line services:

- Step 1 Obtain the "V" and "H" coordinates for the Company access points serving the originating and terminating locations.
- Step 2 Obtain the difference between the "V" coordinates. Obtain the Difference between the "H" coordinates. The difference is always obtained by subtracting the smaller coordinate from the larger coordinate.
- Step 3 Square the differences obtained in Step 2.
- Step 4 Add the squares of the "V" difference and "H" difference obtained in Step 3.
- Step 5 Divide the sum of the square obtained in Step 4 by ten (10). Round to the next higher whole number if any fraction results from the division.
- Step 6 Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the distance between the wire centers and/or access points.

Formula:

$$\sqrt{\frac{(V_1 - V_2)^2 + (H_1 - H_2)^2}{10}}$$

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Issued: January 29, 2008

Effective:

Issued by:

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ACCESS POINT, INC.

ATTACHMENT C

List of Certifications

Access Point has had their certificate revoked in Nebraska and Illinois due to not filing their annual financial statements, but have reconciled this problem internally and these certificates have been reinstated.



**ACCESS POINT, INC.**  
**CERTIFICATION STATUS**

States Authorized to Provide Service

Services Provided

Alabama	Local and Interexchange
Arizona	Interexchange
Arkansas	Interexchange
California	Local and Interexchange
Colorado	Interexchange
Connecticut	Local and Interexchange
Delaware	Local and Interexchange
District of Columbia	Local
Florida	Local and Interexchange
Georgia	Local and Interexchange
Idaho	Interexchange
Illinois	Local and Interexchange
Indiana	Interexchange
Iowa	Interexchange (No Certification Required)
Kansas	Local and Interexchange
Kentucky	Local and Interexchange
Louisiana	Local and Interexchange
Maine	Local and Interexchange
Maryland	Local and Interexchange
Massachusetts	Local and Interexchange
Michigan	Interexchange
Minnesota	Interexchange
Mississippi	Local and Interexchange
Missouri	Interexchange
Montana	Interexchange
Nebraska	Interexchange
Nevada	Interexchange
New Hampshire	Local and Interexchange
New Jersey	Local and Interexchange
New Mexico	Interexchange
New York	Local and Interexchange
North Carolina	Interexchange
North Dakota	Interexchange
Ohio	Interexchange
Oklahoma	Interexchange
Oregon	Interexchange
Pennsylvania	Local and Interexchange
Rhode Island	Local and Interexchange
South Carolina	Local and Interexchange
South Dakota	Interexchange
Tennessee	Local and Interexchange
Texas	Local and Interexchange
Utah	Interexchange (No Certification Required)
Vermont	Local and Interexchange
Virginia	Local (Certificated as Access Point of Virginia, Inc.)
Washington	Interexchange
West Virginia	Local and Interexchange
Wisconsin	Interexchange
Wyoming	Interexchange

ACCESS POINT, INC.

ATTACHMENT D

Financial Statements

Access Point has had their certificate revoked in Nebraska and Illinois due to not filing their annual financial statements, but have reconciled this problem internally and these certificates have been reinstated.

Access Point, Inc. is currently not under the protection of the federal bankruptcy system. The applicant did file for bankruptcy in 2000 but emerged from bankruptcy in 2001.

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of  
Access Point, Inc.:

We have audited the accompanying balance sheets of Access Point, Inc. (a North Carolina corporation and a majority-owned subsidiary of Access Point Communications, Inc.) as of December 31, 2006 and 2005, and the related statements of operations, changes in shareholders' (deficit) equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America as established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Access Point, Inc. as of December 31, 2006 and 2005, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

GRANT THORNTON LLP

Raleigh, North Carolina  
May 3, 2007

# Access Point, Inc.

## Balance Sheets

December 31, 2006 and 2005

	<u>Assets</u>	<u>2006</u>	<u>2005</u>
<b>Current assets:</b>			
Cash and cash equivalents		\$ 302,138	\$ 638,732
Accounts receivable, net of allowance for doubtful accounts of \$612,139 and \$563,971, respectively		2,434,910	2,448,036
Inventory		99,375	62,734
Unbilled receivables		263,853	330,819
Prepaid expenses		89,796	99,473
Total current assets		3,190,072	3,579,794
Property and equipment, net		568,971	686,525
Deposits		424,856	288,186
		<u>\$ 4,183,899</u>	<u>\$ 4,554,505</u>
	<u>Liabilities and Shareholders' Deficit</u>		
<b>Current liabilities:</b>			
Accounts payable		\$ 1,736,483	\$ 1,519,353
Accrued expenses		866,286	1,103,523
Current portion of capital lease obligation		61,723	47,576
Notes payable		1,755,557	1,473,159
Deferred revenue		587,190	539,926
Total current liabilities		5,007,239	4,683,537
Capital lease obligation, net of current portion		32,503	76,861
Deferred rent		33,248	42,311
Total liabilities		<u>5,072,990</u>	<u>4,802,709</u>
<b>Commitments and contingencies (Note G)</b>			
<b>Shareholders' deficit:</b>			
Common stock, \$.01 par value; 1,000,000 shares authorized, 109,220 shares issued and outstanding		1,092	1,092
Preferred stock, \$.01 par value; 1,000,000 shares authorized, 20,313 shares issued and outstanding		6,415,007	6,109,708
Additional paid-in capital		13,692,104	13,692,104
Accumulated deficit		(20,997,294)	(20,051,108)
Total shareholders' deficit		<u>(889,091)</u>	<u>(248,204)</u>
		<u>\$ 4,183,899</u>	<u>\$ 4,554,505</u>

The accompanying notes are an integral part of these financial statements.

# Access Point, Inc.

## Statements of Operations

For the Years Ended December 31, 2006 and 2005

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	2006	2005
Sales	\$23,249,130	\$24,645,068
Cost of sales	16,329,344	16,815,172
Gross margin	6,919,786	7,829,896
Operating expenses:		
Selling, general and administrative	6,989,277	8,171,553
Depreciation and amortization	267,224	784,226
Total operating expenses	7,256,501	8,955,779
Loss from operations	(336,715)	(1,125,883)
Other income and expense:		
Interest income	8,215	26,534
Interest expense	(312,387)	(131,282)
Total other expense	(304,172)	(104,748)
Net loss	\$ (640,887)	\$ (1,230,631)

# Access Point, Inc.

## Statements of Cash Flows

For the Years Ended December 31, 2006 and 2005

	2006	2005
<b>Cash flows used in operating activities:</b>		
Net loss	\$(640,887)	\$(1,230,631)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	267,224	784,226
Provision for doubtful accounts	48,168	249,395
(Decrease) increase in deferred rent	(9,063)	42,311
Adjustments in operating assets and liabilities:		
Increase in accounts receivable	(35,042)	(284,244)
Increase in inventory	(36,641)	(62,734)
Decrease (increase) in prepaid expenses	9,677	(26,727)
Decrease in long-term deposits and unbilled receivables	(69,704)	20,553
(Decrease) increase in accounts payable, accrued expenses and other liabilities	(20,107)	381,880
Increase in deferred revenue	47,263	35,869
Net cash used in operating activities	(439,112)	(90,102)
<b>Cash flows used in investing activities – Purchases of property and equipment</b>	<b>(129,803)</b>	<b>(397,828)</b>
<b>Cash flows provided by financing activities:</b>		
Net borrowings of note payable	282,399	649,064
Repayments of capital leases	(50,078)	0
Repayments of note payable	0	(99,699)
Net cash provided by financing activities	232,321	549,365
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(336,594)</b>	<b>61,435</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>638,732</b>	<b>577,297</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 302,138</b>	<b>\$ 638,732</b>
<b>Supplemental disclosures of cash and noncash information:</b>		
Cash paid during the year for interest	\$ 312,386	\$ 131,282
Assets acquired with capital lease	19,867	124,437
Accrual of dividends on preferred stock	305,299	366,560

The accompanying notes are an integral part of these financial statements.

ACCESS POINT, INC.

ATTACHMENT E

Additional Information

1. Please indicate the current value of all Access Point's assets located in Arizona.  
  
Access Point does not have assets in Arizona at this time.
2. Access Point's plans to offer service in the business market only.
3. The company's tariff maximum rates will be set at approximately 2 times the current charges for each of the company's services. Minimum rates will be set at one half the current rate. The Company has not finalized its Commercial Agreement with Quest. As such, Access Point, Inc. has not finalized its rate structure for its local services within Arizona.
4. Regarding the company's tariffed range of rates: The company believes its range of rates is just and reasonable. The range of rates is based on the company's experience in other states providing similar services that it proposes to offer within Arizona.
5. Please see the response to A-18 for a current listing of all of the certification for Access Point's Long Distance.

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**SECTION 4 - SERVICE OFFERINGS, (CONT'D.)****4.2 Business PBX Trunk Service**

PBX Trunk service provides a Customer with a single, voice-grade telephonic communications channel which can be used to place or receive one call at a time. Trunks are provided for connection of Customer-provided private branch exchanges (PBX) or other station equipment to the public switched telecommunications network. PBX Trunks are available to Business Customers as Inward, Outward or Two-Way combination trunks where services and facilities permit.

PBX Trunks are available to Business Customers as Inward, Outward or Two-Way combination trunks where services and facilities permit.

**4.2.1 Per Line Charges**

	<b>Maximum Non Recurring</b>	<b>Maximum Monthly</b>
2-Way	\$130.00	\$78.00
2-Way, 4 wire with E+M signaling, DID, and Hunting	\$150.00	\$148.00
1-Way outgoing only	\$130.00	\$78.00
1-Way ingoing only	\$130.00	\$78.00
1-Way ingoing with hunting for DID	\$150.00	\$148.00
TTT-LD Terminal	\$300.00	\$40.00

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
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1100 Crescent Green, Suite 109  
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AZI0800



## ATTACHMENT II

**Access Point, Inc.**  
**Local Product Summary**

State	POTS	Centrex	ISDN BRI	Local Voice T-1 / PRI	RCF	PBX
<u>Alabama</u>	<u>Business Point</u> Basic \$42.00 Complete \$57.00	<u>Business Point</u> <u>Centrex</u> \$54.00	<u>Business Point</u> <u>BRI</u> \$62.95	<u>PrimaryAccess</u> <u>South</u> N/A	<u>Business</u> \$21.50	<u>Business Point</u> Basic \$42.00 Complete \$57.00
<u>Connecticut</u>	<u>Metro Point</u> \$19.00 <u>VPoint</u> Basic \$24.95 Plus \$28.95 Complete \$38.95	<u>Metro Point Centrex</u> \$19.00 <u>VPoint</u> Basic \$24.95 Plus \$28.95 Complete \$38.95	<u>MetroPoint BRI</u> \$19.00	<u>PrimaryAccess</u> <u>North</u> \$696.00 Toll rate \$0.075	<u>Metro</u> \$26.56	<u>Vpoint</u> Basic \$24.95 Plus \$28.95 Complete \$38.95
<u>Delaware</u>	<u>Metro Point</u> \$24.00 <u>VPoint</u> Basic \$25.95 Plus \$32.95 Complete \$42.95	<u>Metro Point Centrex</u> \$24.00 <u>VPoint</u> Basic \$25.95 Plus \$32.95 Complete \$42.95	<u>MetroPoint BRI</u> \$30.00	<u>PrimaryAccess</u> <u>North</u> \$657.00 Toll Rate \$0.055	<u>Metro</u> \$19.80	<u>Vpoint</u> Basic \$28.95 Plus \$35.95 Complete \$45.95
<u>Florida</u>	<u>Business Point</u> Basic \$31.00 Complete \$47.00 <u>VPoint</u> Basic \$43.00 Complete \$58.00 <u>Epoint</u> Basic \$33.00 Complete \$53.00	<u>Business Point</u> <u>Centrex</u> \$39.00 <u>VPoint</u> Basic \$43.00 Complete \$58.00 <u>Epoint</u> Basic \$43.00 Complete \$63.00	<u>Business Point</u> <u>BRI</u> \$62.95	<u>PrimaryAccess</u> <u>South</u> \$734.00 Toll Rate \$0.115	<u>Business</u> \$21.50	<u>Business Point</u> Basic \$31.00 Complete \$46.00 <u>Vpoint</u> Basic \$43.00 Complete \$58.00 <u>Epoint</u> Basic \$37.00 Complete \$48.00
<u>Georgia</u>	<u>Business Point</u> Basic \$35.00 Complete \$47.00	<u>Business Point</u> <u>Centrex</u> \$38.00	<u>Business Point</u> <u>BRI</u> \$62.95	<u>PrimaryAccess</u> <u>South</u> N/A	<u>Business</u> \$21.50	<u>Business Point</u> Basic \$35.00 Complete \$47.00
<u>Indiana</u> No tariff filed in state	<u>VPoint</u> Basic \$32.95 Plus \$39.95 Complete \$49.95 <u>Epoint</u> Basic \$46.00 Complete \$66.00	<u>VPoint</u> Basic \$32.95 Plus \$39.95 Complete \$49.95 <u>Epoint</u> Basic \$58.00 Complete \$78.00		<u>PrimaryAccess</u> <u>South</u> \$578.00 Toll Rate \$0.035		<u>Vpoint</u> Basic \$32.95 Plus \$39.95 Complete \$49.95 <u>Epoint</u> Basic \$49.00 Complete \$69.00
<u>Kansas</u>	<u>Epoint</u> Basic \$30.00 Complete \$50.00	<u>Epoint</u> Basic \$41.00 Complete \$61.00				<u>Epoint</u> Basic \$34.00 Complete \$54.00
<u>Kentucky</u>	<u>Business Point</u> Basic \$30.00 Complete \$45.00	<u>Business Point</u> <u>Centrex</u> \$40.00	<u>Business Point</u> <u>BRI</u> \$62.95	<u>PrimaryAccess</u> <u>South</u> N/A	<u>Business</u> \$21.50	<u>Business Point</u> Basic \$30.00 Complete \$45.00
<u>Maryland</u>	<u>Metro Point</u> \$20.50 <u>VPoint</u> Basic \$30.00 Plus \$35.00 Complete \$45.00	<u>Metro Point Centrex</u> \$20.50 <u>VPoint</u> Basic \$30.00 Plus \$35.00 Complete \$45.00	<u>MetroPoint BRI</u> \$28.00	<u>PrimaryAccess</u> <u>North</u> \$670.00 Toll Rate \$0.070	<u>Metro</u> \$19.80	<u>VPoint</u> Basic \$33.00 Plus \$38.00 Complete \$48.00
<u>Massachusetts</u>	<u>VPoint</u> Basic \$29.00 Plus \$34.00 Complete \$44.00 <u>Metro Point</u> \$18.00 <u>Epoint</u> Basic \$30.00 Complete \$50.00	<u>VPoint</u> Basic \$29.00 Plus \$34.00 Complete \$44.00 <u>Metro Point Centrex</u> \$18.00 <u>Epoint</u> Basic \$42.00 Complete \$52.00	<u>MetroPoint BRI</u> \$18.00	<u>PrimaryAccess</u> <u>North</u> \$825.00 Toll Rate \$0.03	<u>Metro</u> \$19.67	<u>Vpoint</u> Basic \$29.00 Plus \$34.00 Complete \$44.00
<u>Minnesota</u>	<u>Epoint</u> Basic \$30.00 Complete \$50.00	<u>Epoint</u> Basic \$42.00 Complete \$52.00				<u>Epoint</u> Basic \$34.00 Complete \$54.00
<u>Mississippi</u>	<u>Business Point</u> Basic \$40.00 Complete \$55.00	<u>Business Point</u> <u>Centrex</u> \$55.00	<u>Business Point</u> <u>BRI</u> \$62.95	<u>PrimaryAccess</u> <u>South</u> N/A	<u>Business</u> \$21.50	<u>Business Point</u> Basic \$40.00 Complete \$55.00
<u>Missouri</u>	<u>Epoint</u> Basic \$23.00	<u>Epoint</u> Basic \$34.00				<u>Epoint</u> Basic \$27.00
<u>Nevada</u> No tariff filed in state	<u>VPoint</u> Basic \$24.95 Plus \$34.95 Complete \$44.95 <u>Epoint</u> Basic \$21.00 Complete \$41.00	<u>VPoint</u> Basic \$24.95 Plus \$34.95 Complete \$44.95 <u>Epoint</u> Basic \$25.00 Complete \$45.00				<u>Vpoint</u> Basic \$24.95 Plus \$34.95 Complete \$44.95 <u>Epoint</u> Basic \$21.00 Complete \$41.00

**Access Point, Inc.**  
**Local Product Summary**

State	POTS	Centrex	ISDN BRI	Local Voice T-1 / PRI	RCF	PBX
<u>North Carolina</u>	<u>Business Point</u> Basic \$39.00 Complete \$54.00 <u>VPoint</u> Basic \$56.00 Complete \$71.00 <u>Epoint</u> Basic \$51.00 Complete \$71.00	<u>Business Point</u> <u>Centrex</u> \$44.00  <u>VPoint</u> Basic \$56.00 Complete \$71.00 <u>Epoint</u> Basic \$60.00 Complete \$80.00	<u>Business Point</u> <u>BRI</u> \$62.95	<u>PrimaryAccess</u> <u>South</u> \$1,042.00 Toll Rate \$0.135	<u>Business</u> \$14.00	<u>Business Point</u> Basic \$39.00 Complete \$54.00 <u>Vpoint</u> Basic \$56.00 Complete \$71.00 <u>Epoint</u> Basic \$51.00 Complete \$71.00
<u>New Hampshire</u>	<u>VPoint</u> Basic \$34.00 Plus \$41.00 Complete \$51.00  <u>Metro Point</u> \$28.00	<u>VPoint</u> Basic \$34.00 Plus \$41.00 Complete \$51.00  <u>Metro Point Centrex</u> \$28.00	<u>MetroPoint BRI</u> \$20.00	<u>PrimaryAccess</u> <u>North</u> N/A	<u>Metro</u> \$27.05	<u>Vpoint</u> Basic \$34.00 Plus \$41.00 Complete \$51.00
<u>New Jersey</u>	<u>Metro Point</u> \$13.00 <u>VPoint</u> Basic \$25.95 Plus \$32.95 Complete \$42.95 <u>Epoint</u> Basic \$40.00 Complete \$60.00	<u>Metro Point Centrex</u> \$13.00 <u>VPoint</u> Basic \$25.95 Plus \$32.95 Complete \$42.95 <u>Epoint</u> Basic \$48.00 Complete \$68.00	<u>MetroPoint BRI</u> \$36.00	<u>PrimaryAccess</u> <u>North</u> \$748.00 Toll Rate \$0.045	<u>Metro</u> \$17.66	<u>Vpoint</u> Basic \$26.95 Plus \$33.95 Complete \$43.95  <u>Epoint</u> Basic \$43.00 Complete \$63.00
<u>New York</u>	<u>Metro Point</u> \$20.95 <u>VPoint</u> Basic \$28.95 Plus \$33.95 Complete \$42.95	<u>Metro Point Centrex</u> \$20.95 <u>VPoint</u> Basic \$28.95 Plus \$33.95 Complete \$43.95	<u>MetroPoint BRI</u> \$33.00	<u>PrimaryAccess</u> <u>North</u> \$636.00 Toll Rate \$0.075	<u>Metro</u> \$23.25	<u>Vpoint</u> Basic \$28.95 Plus \$33.95 Complete \$43.95
<u>Oregon</u> No tariff filed in state	<u>VPoint</u> Basic \$29.00 Plus \$36.00 Complete \$46.00 <u>Epoint</u> Basic \$28.00 Complete \$48.00	<u>VPoint</u> Basic \$29.00 Plus \$36.00 Complete \$46.00 <u>Epoint</u> Basic \$28.00 Complete \$48.00		<u>PrimaryAccess</u> <u>North</u> \$787.00 \$0.049		<u>Vpoint</u> Basic \$29.00 Plus \$36.00 Complete \$46.00 <u>Epoint</u> Basic \$28.00 Complete \$48.00
<u>Pennsylvania</u>	<u>Metro Point</u> \$21.00 <u>VPoint</u> Basic \$29.00 Plus \$36.00 Complete \$46.00 <u>Epoint</u> Basic \$44.00 Complete \$64.00	<u>Metro Point Centrex</u> \$21.00 <u>VPoint</u> Basic \$29.00 Plus \$36.00 Complete \$46.00 <u>Epoint</u> Basic \$55.00 Complete \$75.00	<u>MetroPoint BRI</u> \$23.00	<u>Primary Access</u> <u>North</u> \$903.00 Toll Rate \$0.055	<u>Metro</u> \$19.50	<u>Vpoint</u> Basic \$32.00 Plus \$39.00 Complete \$49.00  <u>Epoint</u> Basic \$48.00 Complete \$68.00
<u>Rhode Island</u>	<u>VPoint</u> Basic \$33.00 Plus \$40.00 Complete \$50.00  <u>Metro Point</u> \$20.00	<u>VPoint</u> Basic \$33.00 Plus \$40.00 Complete \$50.00  <u>Metro Point Centrex</u> \$20.00	<u>MetroPoint BRI</u> \$30.00	<u>PrimaryAccess</u> <u>North</u> \$826.00 Toll Rate \$0.039		<u>Vpoint</u> Basic \$33.00 Plus \$40.00 Complete \$50.00
<u>South Carolina</u>	<u>Business Point</u> Basic \$37.00 Complete \$52.00 <u>VPoint</u> Basic \$37.00 Complete \$52.00 <u>Epoint</u> Basic \$36.00 Complete \$56.00	<u>Business Point</u> <u>Centrex</u> \$37.00  <u>VPoint</u> Basic \$37.00 Complete \$52.00 <u>Epoint</u> Basic \$47.00 Complete \$67.00	<u>Business Point</u> <u>BRI</u> \$62.95	<u>PrimaryAccess</u> <u>South</u> \$942.00 Toll Rate \$0.069	<u>Business</u> \$19.00	<u>Business Point</u> Basic \$37.00 Complete \$52.00 <u>Vpoint</u> Basic \$37.00 Complete \$52.00 <u>Epoint</u> Basic \$41.00 Complete \$61.00
<u>Texas</u>	<u>VPoint</u> Basic \$27.95 Plus \$34.95 Complete \$44.95 <u>Epoint</u> Basic \$34.00 Complete \$54.00	<u>VPoint</u> Basic \$27.95 Plus \$34.95 Complete \$44.95 <u>Epoint</u> Basic \$64.00 Complete \$73.00		<u>PrimaryAccess</u> <u>South</u> \$539.00 Toll Rate \$0.069		<u>Vpoint</u> Basic \$27.95 Plus \$34.95 Complete \$44.95 <u>Epoint</u> Basic \$38.00 Complete \$58.00

**Access Point, Inc.**  
**Local Product Summary**

State	POTS	Centrex	ISDN BRI	Local Voice T-1 / PRI	RCF	PBX
<u>Tennessee</u>	<u>Business Point</u> Basic \$37.00 Complete \$52.00 <u>Epoint</u> Basic \$50.00 Complete \$70.00	<u>Business Point</u> <u>Centrex</u> \$38.00  <u>Epoint</u> Basic \$61.00 Complete \$81.00	<u>Business Point</u> <u>BRI</u> \$62.95	<u>PrimaryAccess</u> <u>South</u> N/A	<u>Business</u> \$19.00	<u>Business Point</u> Basic \$37.00 Complete \$52.00 <u>Epoint</u> Basic \$55.00 Complete \$75.00
<u>Virginia</u>	<u>Metro Point</u> \$23.00 <u>VPoint</u> Basic \$33.00 Plus \$38.00 Complete \$48.00 <u>Epoint</u> Basic \$46.00 Complete \$66.00	<u>Metro Point Centrex</u> \$23 <u>VPoint</u> Basic \$33.00 Plus \$38.00 Complete \$48.00 <u>Epoint</u> Basic \$57.00 Complete \$77.00	<u>MetroPoint BRI</u> \$18.00	<u>PrimaryAccess</u> <u>North</u> \$929.00 Toll Rate \$0.112	<u>Metro</u> \$23.75	<u>Vpoint</u> Basic \$35.00 Plus \$40.00 Complete \$50.00  <u>Epoint</u> Basic \$50.00 Complete \$70.00
<u>Washington DC</u>	<u>Metro Point</u> \$15.50 <u>VPoint</u> Basic \$21.95 Plus \$28.95 Complete \$38.95	<u>Metro Point Centrex</u> \$15.50 <u>VPoint</u> Basic \$21.95 Plus \$28.95 Complete \$38.95	<u>MetroPoint BRI</u> \$19.00	<u>PrimaryAccess</u> <u>North</u> \$631.00 Toll Rate \$0.055	<u>Metro</u> \$19.80	<u>Vpoint</u> Basic \$23.95 Plus \$30.95 Complete \$40.95
<u>Washington</u> No tariff filed in state	<u>VPoint</u> Basic \$32.00 Plus \$39.00 Complete \$49.00 <u>Epoint</u> Basic \$29.00 Complete \$49.00	<u>VPoint</u> Basic \$32.00 Plus \$39.00 Complete \$49.00 <u>Epoint</u> Basic \$39.00 Complete \$59.00		<u>PrimaryAccess</u> <u>North</u> \$773.00  Toll Rate \$0.045		<u>Vpoint</u> Basic \$32.00 Plus \$39.00 Complete \$49.00 <u>Epoint</u> Basic \$31.00 Complete \$51.00
<u>West Virginia</u>	<u>Metro Point</u> \$38.00 <u>VPoint</u> Basic \$42.00 Plus \$47.00 Complete \$57.00	<u>Metro Point Centrex</u> \$38.00 <u>VPoint</u> Basic \$42.00 Plus \$47.00 Complete \$57.00	<u>MetroPoint BRI</u> \$22.00	<u>PrimaryAccess</u> <u>North</u> \$808.00 Toll Rate \$0.065	<u>Metro</u> \$22.20	<u>Vpoint</u> Basic \$46.00 Plus \$51.00 Complete \$61.00
<u>Wisconsin</u> No tariff filed in state	<u>VPoint</u> Basic \$38.95 Plus \$40.95 Complete \$50.95	<u>VPoint</u> Basic \$38.95 Plus \$40.95 Complete \$50.95		<u>PrimaryAccess</u> <u>North</u> \$942.00 Toll Rate \$0.039		<u>Vpoint</u> Basic \$38.95 Plus \$40.95 Complete \$50.95



September 26, 2008  
Via Overnight Delivery

RECEIVED

2008 SEP 29 P 3:30

AZ CORP COMMISSION  
DOCKET CONTROL

T-03446A-08-0055

2600 Maitland Center Pkwy.  
Suite 300  
Maitland, FL 32751  
P.O. Drawer 200  
Winter Park, FL  
32790-0200  
Tel: 407-740-8575  
Fax: 407-740-0613  
www.tminc.com

Docket Control Center  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 80557-2927

RE: Replacement page for Access Point, Inc. CLEC Application

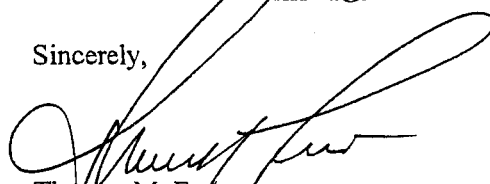
Dear Sir/Madame:

Enclosed for filing are the original and thirteen (13) copies of the replacement page for the CLEC tariff submitted on behalf of Access Point, Inc. This is being submitted per the request of Pamela J. Genung on September 26, 2008 per a telephone conversation with Beckie Gillette. This replacement page reduces the maximum rates for Flat Rate Local Exchange Service.

Please acknowledge receipt of this filing by date stamping the extra copy of this cover letter and returning it to me in the self-addressed, stamped envelope provided for that purpose.

Any questions you may have regarding this filing may be directed to me attention at 407-740-3001 or via email to [tforte@tminc.com](mailto:tforte@tminc.com). Thank you for your assistance.

Sincerely,



Thomas M. Forte  
Consultant to Access Point, Inc.

TMF/rg

cc: Jason Brown - Access Point  
file: Access Point - AZ Local  
tms: AZL0800c

RECEIVED BY

OCT 03 2008

TECHNOLOGIES  
MANAGEMENT, INC.

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**SECTION 4 - SERVICE OFFERINGS, (CONT'D.)****4.1 Basic Local Exchange Service, (Cont'd.)****4.1.2 Flat Rate Local Exchange Service**

Flat Rate Local Exchange Service provides a Customer with a single, analog, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Flat Rate Local Exchange Service lines are provided for the connection of Customer-provided wiring, telephone, facsimile machines or other station equipment. Local exchange service lines and trunks are provided on a single party (individual) basis only. No multi-party lines are provided.

Recurring charges for Flat Rate Local Exchange Service are billed monthly in advance. Non-recurring charges for installation or rearrangement of service are billed on the next month's bill immediately following work performed by the Company.

Flat Rate Local Exchange Service includes unlimited local exchange calling per month.

	<b>Maximum <u>Business</u></b>	<b>Maximum <u>Residential</u></b>
Monthly Rate		
Initial Line	\$40.00	\$16.00
Additional Line	\$40.00	\$13.00

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZ10800



2600 Maitland Center Pkwy.  
Suite 300  
Maitland, FL 32751  
P.O. Drawer 200  
Winter Park, FL  
32790-0200  
Tel: 407-740-8575  
Fax: 407-740-0613  
www.tminc.com

February 6, 2009  
Via Overnight Delivery

Docket Control Center  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 80557-2927

**RE: Response of Access Point, Inc.  
Docket No. T-03446A-08-0055**

Dear Sir/Madame:

Enclosed for filing are the original and thirteen (13) copies of the response and affidavit of Access Point, Inc. to the January 16, 2009 Staff Recommendation of Ms. Pamela J. Genung filed in T-03446A-08-0055.

Specifically Access Point, Inc. has changed its philosophy regarding Deposits and Advanced Payments for services offered within Arizona. The company will not be collecting any deposits for these services and therefore is requesting a waiver of the bond requirement addressed in the Staff Recommendation.

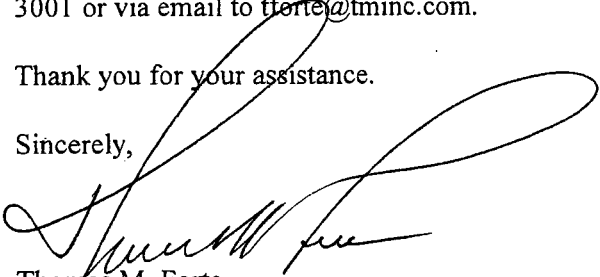
I am also enclosing the original and thirteen (13) copies of the revised tariff pages reflecting the withdrawal of deposit and advanced payment language. Proposed tariff pages 20 - 24 have been adjusted and are provided for insertion into the proposed tariff.

Please acknowledge receipt of this filing by date stamping the extra copy of this cover letter and returning it to me in the self-addressed, stamped envelope provided for that purpose.

Any questions you may have regarding this filing may be directed to me attention at 407-740-3001 or via email to [tforte@tminc.com](mailto:tforte@tminc.com).

Thank you for your assistance.

Sincerely,



Thomas M. Forte  
Consultant to Access Point, Inc.

TMF/rg

cc: Pam Genung - AZ Corp. Commission  
Jason Brown - Access Point  
file: Access Point - AZ Local  
tms: AZL0800d

ARIZONA  
CORPORATION COMMISSION

Registration of  
Access Point, Inc.  
for a License to Provide Basic Local  
Exchange Service throughout the State

)  
) Docket # T-03446A-08-0055  
)  
)

AFFIDAVIT OF RICHARD E. BROWN

I, Richard E. Brown, having been duly sworn, state that if I am called as a witness in this matter I am competent to testify based on my personal knowledge as follows:

- 1) I am President and CEO of Access Point, Inc.
- 2) I am duly authorized by Access Point, Inc. to file this affidavit.
- 3) Access Point, Inc. respectfully requests that it be permitted to waive the bond requirement as the Company will provide any prepaid services nor will it collect deposits or advanced deposits for intrastate services within Arizona.

By:

Richard E. Brown

Richard E. Brown  
President and CEO  
Access Point, Inc.

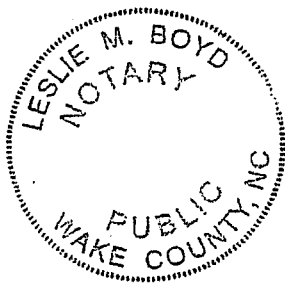
Dated:

2/5/09

Subscribed and sworn before me  
this 5<sup>th</sup> day of February, 2009.

Leslie M. Boyd

Notary Public





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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.5 Payment Arrangements**

**2.5.1 Payment for Service**

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer and to all Authorized Users by the Customer, regardless of whether those services are used by the Customer itself or are resold to or shared with other persons.

The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state, federal and 911 taxes, charges or surcharges (however designated) (excluding taxes on Company net income) imposed on or based upon the provision, sale or use of Network Services.

The security of the Customer PIN is the responsibility of the Customer. All calls placed using a PIN shall be billed to and shall be the obligation of the Customer. The Customer shall not be responsible for charges in connection with the unauthorized use of PINs arising after the Customer notifies the Company of the loss, theft, or other breach of security of such PINs.

Customers will only be charged once, on either an interstate or intrastate basis, for any nonrecurring charges.

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZI0800

**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.5 Payment Arrangements, (Cont'd.)**

**2.5.2 Billing and Collection of Charges**

The Customer is responsible for payment of all charges incurred by the Customer or other Authorized Users for services and facilities furnished to the Customer by the Company.

- (A) Nonrecurring charges are due and payable within thirty (30) days after the invoice date, unless otherwise agreed to in advance.
- (B) The Company shall present invoices for recurring charges monthly to the Customer, in advance of the month in which service is provided, and Recurring Charges shall be due and payable within thirty (30) days after the invoice date. When billing is based on customer usage, charges will be billed monthly for the preceding billing periods.

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZI0800

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.5 Payment Arrangements, (Cont'd.)**

**2.5.2 Billing and Collection of Charges, (cont'd.)**

- (C) When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have thirty (30) days.
- (D) Billing of the Customer by the Company will begin on the Service Commencement Date, which is the first day following the date on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZ10800

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SECTION 2 – RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements, (Cont'd.)

2.5.2 Billing and Collection of Charges, (cont'd.)

- (E) If any portion of the payment is not received by the Company, or if any portion of the payment is received by the Company in funds that are not immediately available, within twenty (20) days of the mail date on the bill, then a late payment penalty shall be due the Company. The late payment penalty shall be that portion of the payment not received by the date due minus any charges billed as local taxes multiplied by 1.5%.
- (F) The Customer will be assessed a *maximum* charge of thirty-five (\$35.00) for each check submitted by the Customer to the Company that a financial institution refuses to honor.
- (G) If service is disconnected by the Company in accordance with Section 2.6 following and later restored, restoration of service will be subject to all applicable installation charges.

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZ10800

**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.5 Payment Arrangements, (Cont'd.)**

**2.5.3 Disputed Bills**

- (A) In the event that a billing dispute occurs concerning any charges billed to the Customer by the Company, the Company shall require the Customer to pay the undisputed portion of the bill to avoid discontinuance of service for non-payment. The Customer must submit a documented claim for the disputed amount. The Customer will submit all documentation as may reasonably be required to support the claim. All claims must be submitted to the Company within 90 days of receipt of billing for those services. If the Customer does not submit a claim as stated above, the Customer waives all rights to filing a claim thereafter.
- (B) Unless disputed the invoice shall be deemed to be correct and payable in full by the Customer. If the Customer is unable to resolve any dispute with the Company, then the Customer may file a complaint with the Arizona Corporation Commission, 1200 West Washington Street, Phoenix, Arizona 85007.
- (C) If the dispute is resolved in favor of the Customer and the Customer has withheld the disputed amount, no interest, credits or penalties will apply.

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZ10800



March 9, 2009  
Via Overnight Delivery

2600 Maitland Center Pkwy.  
Suite 300  
Maitland, FL 32751  
P.O. Drawer 200  
Winter Park, FL  
32790-0200  
Tel: 407-740-8575  
Fax: 407-740-0613  
www.tminc.com

Mr. Tim Sabo  
Roshka, DeWoulf and Patten  
One Arizona Center  
400 East Van Buren, Suite 800  
Phoenix, Arizona 85004

**RE: Information for Access Point, Inc.  
Docket No. 08-0055**

Dear Tim:

Enclosed please find the paper copy of the application and all related filing materials for Access Point, Inc. in Docket No. 08-0055. This is a duplicate of the information I sent to you on Friday via e-mail.

The company is forwarding the \$1,000 retainer check via separate letter.

Any questions you may have regarding this information may be directed to me attention at 407-740-3001 or via email to [tforte@tminc.com](mailto:tforte@tminc.com).

Thank you for your assistance.

Sincerely,

Thomas M. Forte  
Consultant to Access Point, Inc.

cc: Jason Brown - Access Point (Via E-mail)  
file: Access Point - AZ Local  
tms: AZx0901



March 25, 2008  
Via Overnight Delivery



2600 Maitland Center Pkwy.  
Suite 300  
Maitland, FL 32751  
P.O. Drawer 200  
Winter Park, FL  
32790-0200  
Tel: 407-740-8575  
Fax: 407-740-0613  
www.tminc.com

Docket Control Center  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 80557-2927

RE: Data Response for Access Point, Inc.

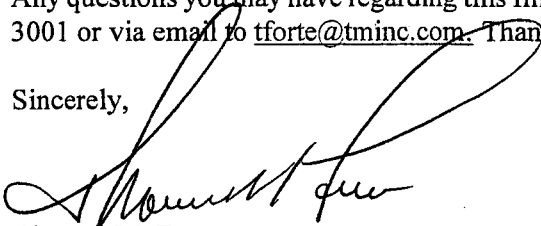
Dear Sir/Madame:

Enclosed for filing are the original and thirteen (13) copies of the above response to the data request of February 14, 2008, by Pamela J. Genung, submitted on behalf of Access Point, Inc.

Please acknowledge receipt of this filing by date stamping the extra copy of this cover letter and returning it to me in the self-addressed, stamped envelope provided for that purpose.

Any questions you may have regarding this filing may be directed to me attention at 407-740-3001 or via email to [tforte@tminc.com](mailto:tforte@tminc.com). Thank you for your assistance.

Sincerely,

  
Thomas M. Forte  
Consultant to Access Point, Inc.

TMF/rg

cc: Jason Brown - Access Point  
file: Access Point - AZ Local  
tms: AZL0800a

# Cover Sheet

Do Not Use This Space  
Official  
Use  
Only

Do Not Use This Space  
Official  
Use  
Only

COMPANY NAME: Access Point, Inc.  
DBA (if applicable): \_\_\_\_\_  
DOCKET NUMBER(s): T-03446A-08-0055

INSTRUCTIONS: Please choose the item that best describes the nature of the case/filing.

## UTILITIES - NEW APPLICATION

### UTILITIES - NEW APPLICATION

<input type="checkbox"/> New CC&N	<input type="checkbox"/> Interconnection Agreement
<input type="checkbox"/> Extension of CC&N	<input type="checkbox"/> Rates
<input type="checkbox"/> Deletion of CC&N	<input type="checkbox"/> Financing
<input type="checkbox"/> Cancellation of CC&N	<input type="checkbox"/> Formal Complaint
<input type="checkbox"/> Tariff (NEW)	
<input type="checkbox"/> Miscellaneous - Specify: _____	

### UTILITIES - REVISIONS/AMENDMENTS

Application

Tariff

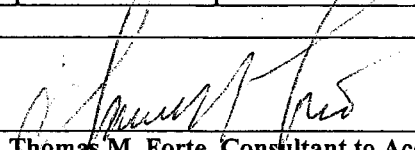
Decision No. \_\_\_\_\_  
Docket No. \_\_\_\_\_

Promotional: \_\_\_\_\_  
Compliance: \_\_\_\_\_

### MISCELLANEOUS FILINGS

<input type="checkbox"/> Affidavit (publication, Public Notice)	<input type="checkbox"/> Motion to Intervene
<input type="checkbox"/> Request/Motion	<input type="checkbox"/> Notice of Errata
<input type="checkbox"/> Comments	<input type="checkbox"/> Testimony
<input type="checkbox"/> Exception	<input type="checkbox"/> Response / Reply
<input type="checkbox"/> Exhibit(s)	<input type="checkbox"/> Witness List
<input checked="" type="checkbox"/> Miscellaneous - Specify: <u>Response to Data Request</u>	

March 25, 2008  
Date

  
Thomas M. Forte, Consultant to Access Point, Inc.



**RESPONSE OF  
ACCESS POINT, INC. TO  
STAFF ANALYST PAMELA J. GENUNG DATED  
FEBRUARY 14, 2008**

- 1.1 As indicated in item A-1 of your Application, Access Point is requesting authority to provide resold long distance, resold local exchange, and facilities-based local exchange telecommunications services. Staff is of the understanding that a CC&N to provide resold long distance telecommunications service was previously granted to Access Point on June 9, 2000 on Decision No. 62624. Please confirm which types of services Access Point is requesting authority to provide through this Application.

**Response:** Access Point, Inc. is requesting to add resold local exchange, and facilities-based local exchange telecommunications services in addition to their resold long distance services already granted by the Commission.

- 1.2 Please indicate the number of Arizona customers currently being served by Access Point.

**Response:** Access Point currently has 18 customers in the state of Arizona.

- 1.3 Please verify whether the Annual Reports for Access Point that are currently on file with the Commission are up to date.

**Response:** Access Point is current with their Annual Reports on file with the Commission.

- 1.4 Please verify that Access Point is in compliance with Commission Decisions and all rules and regulations.

**Response:** Access Point is in compliance with Commission Decisions and all rules and regulations.

- 1.5 Please identify and explain whether Access Point has any outstanding or unresolved consumer complaints with this Commission.

**Response:** Access Point does not have any outstanding or unresolved consumer complaints with the Commission.

- 1.6 Please discuss the complaint history of Access Point at the FCC and in any state that Access Point is currently providing service.

**Response:** Access Point does not have any complaint history with the FCC or any state that the Applicant currently provides service.

- 1.7 Please provide copies of Access Point's 2007 financial statements.

**Response:** Attachment I contains the 2007 financial statements for Access Point.

- 1.8 In regards to item A-9 of your Application, Staff is unable to locate the proposed current and maximum rates in the proposed tariff included in Attachment B for those services that Access Point is requesting authority to provide in the State of Arizona. Please indicate by referencing the tariff page number(s) where these rates can be found and/or submit updated proposed tariff pages containing those rates.

**Response:** Attachment II contains the proposed tariff pages that contain the current and maximum rates proposed by Access Point, Inc.

- 1.9 In regards to item B-4 of your Application, please provide answers to the five specific statements contained in that item.

**Response:** Attachment III contains the responses to item B-4 of the Application.

- 1.10 Please explain how Access Point calculated the current and maximum rates that will be contained in its tariffs for each of the services it is requesting authority to provide.

**Response:** The current rates contained in this tariff are matched to the Qwest tariff on record with the Arizona Commission. The maximum rates are calculated by doubling the current rates, similar to those rates in the Qwest tariff.

- 1.11 Please identify all other states/jurisdictions in which your company or an affiliate provides facilities-based local exchange, resold local exchange, and resold long distance telecommunications services. Please specify, in a matrix format, the tariff rates and charges that your company and/or affiliate charges for those services in the other jurisdictions. If there is a difference between the tariff rates and charges that your company will charge in Arizona and the tariff rates and charges that your company and/or affiliate charges in other jurisdictions; please identify and indicate the amount of the difference and explain why you are charging different tariff rates and charges in Arizona. The material you provide should enable Staff to determine whether these tariff rates and charges are identical or comparable to the tariff rates and charges charged in other jurisdictions. Please provide all source documentation.

**Response:** The Company's approved tariffed rates for local services will be comparable to those that the company proposes to offer in other jurisdictions. However, actual pricing that matches each product and service rate is not possible. The Company's rates in other jurisdictions reflect state-specific competitive market conditions as well as any rate caps that may be imposed by the state regulatory commission; therefore, the rates for certain services in other jurisdictions may be higher or lower than those proposed in Arizona.

- 1.12 Please indicate why you believe that your range of rates is just and reasonable using a competitive market analysis. Your analysis should contain publicly available examples of tariff rates and charges charged by the incumbent and other carriers for similar services. Include any other information that you believe demonstrates that your actual rates are just and reasonable. For a list of telecommunications carriers certified in Arizona, go to [www.cc.state.az.us/utility/utility](http://www.cc.state.az.us/utility/utility). For a list of Commission-approved telecommunications rates and tariffs, go to [www.cc.state.az.us/utility/tariffs](http://www.cc.state.az.us/utility/tariffs).

**Response:** Attachment IV contains the tariff pages and matrix requested for comparison of rates between multiple companies.

**ACCESS POINT, INC.**

**ATTACHMENT I**

**2007 FINANCIAL STATEMENTS**

**Access Point, Inc.**  
**Balance Sheet**  
**As of December 31, 2007**

03/24/08

**DRAFT**

	<u>2007</u> <u>December</u>
<b>ASSETS</b>	
Current Assets	
Cash	269,694
Accounts Receivable	2,305,909
Allowance for Bad Debt	(163,186)
Accounts Receivable-CABS, net	375,097
Inventory	138,817
UnBilled Revenue	184,410
Prepaid Expenses	84,620
	-----
Total Current Assets	3,195,361
Property and Equipment	
Property and Equipment	2,240,476
Accumulated Depreciation	(1,697,288)
	-----
Total Property and Equip.	543,188
Other Assets	
Security Deposits	449,801
VZ Contract Agreement	107,502
	-----
Total Other Assets	557,303
	-----
<b>TOTAL ASSETS</b>	<b>4,295,852</b>
	=====
<b>LIABILITIES AND CAPITAL</b>	
Current Liabilities	
Accounts Payable	1,777,082
Accrued Cost of Calls	160,759
Sales Tax Payable	399,054
Unearned Revenue	798,925
Notes Payable - Accord	2,219,217
Leased Equipment Obligation	26,684
Other Current Liabilities	158,984
	-----
Total Current Liabilities	5,540,705
Long-Term Liabilities	
Leased Equipment Obligation	8,129
Deferred Rent Obligation	9,795
	-----
Total Long-Term Liabilities	17,924

TOTAL LIABILITIES

5,558,629

Capital

Common Stock (.01Par)

1,092

Preferred Stock (.01Par)

6,415,008

Contribution In Excess

13,692,105

Retained Earnings

(19,164,494)

Accrued Dividends - Preferred Stock

(1,832,801)

Net Profit/(Loss)

(373,687)

TOTAL CAPITAL

(1,262,777)

TOTAL LIABILITIES & CAPITAL

4,295,852

**ACCESS POINT, INC.**

**ATTACHMENT II**

**PROPOSED TARIFF PAGES CONTAINING RATES**

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**TABLE OF CONTENTS**

Title Page .....	Title
Preface	
Table of Contents .....	1
Check Sheet.....	2
Explanation of Symbols .....	4
Application of Tariff .....	5
Tariff Format .....	6
Definitions .....	Section 1
Rules and Regulations .....	Section 2
Service Areas.....	Section 3
Service Offerings.....	Section 4
Miscellaneous Services .....	Section 5
Current Rates .....	Section 6

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZ10800



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**CHECK SHEET, (CONT'D.)**

Section	Page	Revision		Section	Page	Revision
4	1	Original	*			
4	2	Original	*			
4	3	Original	*			
4	4	Original	*			
4	5	Original	*			
5	1	Original	*			
6	1	Original	*			

\* - indicates those pages included with this filing.

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Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

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**SECTION 4 - SERVICE OFFERINGS, (CONT'D.)****4.2 Basic Local Exchange Service, (Cont'd.)****4.2.2 Flat Rate Local Exchange Service**

Flat Rate Local Exchange Service provides a Customer with a single, analog, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Flat Rate Local Exchange Service lines are provided for the connection of Customer-provided wiring, telephone, facsimile machines or other station equipment. Local exchange service lines and trunks are provided on a single party (individual) basis only. No multi-party lines are provided.

Recurring charges for Flat Rate Local Exchange Service are billed monthly in advance. Non-recurring charges for installation or rearrangement of service are billed on the next month's bill immediately following work performed by the Company.

Flat Rate Local Exchange Service includes unlimited local exchange calling per month.

	<b>Maximum <u>Business</u></b>	<b>Maximum <u>Residential</u></b>
Monthly Rate		
Initial Line	\$60.80	\$26.36
Additional Line	\$60.80	\$20.00

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Cary, North Carolina 27518

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**SECTION 4 - SERVICE OFFERINGS, (CONT'D.)****4.3 Business PBX Trunk Service**

PBX Trunk service provides a Customer with a single, voice-grade telephonic communications channel which can be used to place or receive one call at a time. Trunks are provided for connection of Customer-provided private branch exchanges (PBX) or other station equipment to the public switched telecommunications network. PBX Trunks are available to Business Customers as Inward, Outward or Two-Way combination trunks where services and facilities permit.

PBX Trunks are available to Business Customers as Inward, Outward or Two-Way combination trunks where services and facilities permit.

**4.3.1 Per Line Charges**

	<b>Maximum Non Recurring</b>	<b>Maximum Monthly</b>
2-Way	\$130.00	\$78.00
2-Way, 4 wire with E+M signaling, DID, and Hunting	\$150.00	\$148.00
1-Way outgoing only	\$130.00	\$78.00
1-Way ingoing only	\$130.00	\$78.00
1-Way ingoing with hunting for DID	\$150.00	\$148.00
TTT-LD Terminal	\$300.00	\$40.00

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Issued: January 29, 2008

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Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

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**SECTION 5 – MISCELLANEOUS RATES****5.1 Service Order**

Non-recurring charges apply to processing Service Orders for new service and for changes in service.

**5.1.1 Service Order Charges**

Primary Service Connection Charge - applies to requests for initial connection or establishment of telephone service to the Company.

Technician Dispatch Charge - A separate Technician Dispatch Charge applies, in addition to all other charges for the visit, when a visit to the Customer's premises is necessary to isolate a problem reported to the Company but identified by the Company's technician as attributable to Customer-provided equipment or inside wire. The Company will not impose this charge to the first such visit to a Customer location.

	<u>Business</u>	<u>Residential</u>
Initial Installation	\$85.00	\$55.00
Customer Requested Service Change	\$55.00	\$20.00
PBX Change Charge	\$65.00	
Premise Visit Charge – per visit	\$50.00	\$50.00
Premise Work Charge - initial 30 minutes	\$120.00	\$120.00
Premise Work Charge - additional 15 minutes	\$60.00	\$60.00
Restoral of Service -	\$32.00	\$32.00
Trouble Isolation Charge	\$190.00	\$170.00

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Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZ10800

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**SECTION 6 – CURRENT RATES****6.1 Flat Rate Local Exchange Service**

	<u>Business</u>	<u>Residential</u>
Monthly Rate		
Initial Line	\$30.40	\$13.18
Additional Line	\$30.40	\$10.00

**6.2 PBX Trunk Charges**

	<u>Non Recurring</u>	<u>Monthly</u>
2-Way	\$65.00	\$39.00
2-Way, 4 wire with E+M signaling, DID, and Hunting	\$75.00	\$74.00
1-Way outgoing only	\$65.00	\$39.00
1-Way ingoing only	\$65.00	\$39.00
1-Way ingoing with hunting for DID	\$75.00	\$44.00
TTT-LD Terminal	\$150.00	\$20.00

**6.3 Service Order Charges**

	<u>Business</u>	<u>Residential</u>
Initial Installation	\$42.50	\$27.50
Customer Requested Service Change	\$27.50	\$10.00
PBX Change Charge	\$32.50	
Premise Visit Charge – per visit	\$25.00	\$25.00
Premise Work Charge - initial 30 minutes	\$60.00	\$60.00
Premise Work Charge - additional 15 minutes	\$30.00	\$30.00
Restoral of Service -	\$16.00	\$16.00
Trouble Isolation Charge	\$95.00	\$85.00

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZI0800

**ACCESS POINT, INC.**

**ATTACHMENT III**

**RESPONSES TO B-4 OF APPLICATION**

Access Point, Inc.  
Proforma Income Statement for  
CLEC Services within Arizona

Month	1	2	3	4	5	6	7	8	9	10	11	12
Beginning of Period Customers	0	60	60	62	64	66	68	70	73	76	79	82
Customer Lines Added	60	3	3	3	3	3	3	4	4	4	4	4
Customer Lines Lost		1	1	1	1	1	1	1	1	1	1	1
End of Period Customers	60	62	64	66	68	70	73	76	79	82	84	87
Revenue												
Recurring	\$1,215	\$1,258	\$1,299	\$1,341	\$1,381	\$1,421	\$1,481	\$1,540	\$1,598	\$1,655	\$1,711	\$1,766
Nonrecurring	\$2,100	\$105	\$105	\$105	\$105	\$105	\$140	\$140	\$140	\$140	\$140	\$140
Total	\$3,315	\$1,363	\$1,404	\$1,446	\$1,486	\$1,526	\$1,621	\$1,680	\$1,738	\$1,795	\$1,851	\$1,906
Cost of Goods Sold	\$1,989	\$818	\$843	\$867	\$892	\$916	\$973	\$1,008	\$1,043	\$1,077	\$1,111	\$1,144
Gross Margin	\$1,326	\$545	\$562	\$578	\$595	\$611	\$648	\$672	\$695	\$718	\$740	\$763
Bad Debt	\$166	\$68	\$70	\$72	\$74	\$76	\$81	\$84	\$87	\$90	\$93	\$95
SG&A Expenses	\$995	\$273	\$281	\$289	\$297	\$305	\$324	\$336	\$348	\$359	\$370	\$381
Total EBITDA	\$166	\$204	\$211	\$217	\$223	\$229	\$243	\$252	\$261	\$269	\$278	\$286
Accounts Receivable Balance	\$0	\$425	\$440	\$455	\$469	\$483	\$497	\$518	\$539	\$559	\$579	\$599

Access Point, Inc.  
Proforma Income Statement for  
CLEC Services within Arizona

Month	1	2	3	4	5	Year 2				10	11	12	Year 1 Annual Summary	Year 2 Annual Summary
						6	7	8	9					
Beginning of Period Customers	87	90			100	103	107	110	114	119	123	127		
Customer Lines Added	4	4	5	5	5	5	5	6	6	6	6	6		
Customer Lines Lost	1	1	1	1	1	2	2	2	2	2	2	2		
End of Period Customers	90	93	96	100	103	107	110	114	119	123	127	131		
Revenue														
Recurring	\$1,821	\$1,874	\$1,948	\$2,020	\$2,091	\$2,160	\$2,229	\$2,317	\$2,404	\$2,490	\$2,574	\$2,657	\$17,666	\$26,584
Nonrecurring	\$140	\$140	\$175	\$175	\$175	\$175	\$175	\$210	\$210	\$210	\$210	\$210	\$3,465	\$2,205
Total	\$1,961	\$2,014	\$2,123	\$2,195	\$2,266	\$2,335	\$2,404	\$2,527	\$2,614	\$2,700	\$2,784	\$2,867	\$21,131	\$28,789
Cost of Goods Sold	\$1,176	\$1,209	\$1,274	\$1,317	\$1,359	\$1,401	\$1,443	\$1,516	\$1,568	\$1,620	\$1,670	\$1,720	\$12,678	\$17,273
Gross Margin	\$784	\$806	\$849	\$878	\$906	\$934	\$962	\$1,011	\$1,046	\$1,080	\$1,113	\$1,147	\$8,452	\$11,516
Bad Debt	\$98	\$101	\$106	\$110	\$113	\$117	\$120	\$126	\$131	\$135	\$139	\$143	\$1,057	\$1,439
SG&A Expenses	\$392	\$403	\$425	\$439	\$453	\$467	\$481	\$505	\$523	\$540	\$557	\$573	\$4,558	\$5,758
Total EBITDA	\$294	\$302	\$318	\$329	\$340	\$350	\$361	\$379	\$392	\$405	\$418	\$430	\$2,838	\$4,318
Accounts Receivable Balance	\$618	\$637	\$656	\$682	\$707	\$732	\$756	\$780	\$811	\$841	\$871	\$901		



**ACCESS POINT, INC.**

**ATTACHMENT IV**

**TARIFF PAGES AND MATRIX OF COMPARABLE RATES FROM  
ADDITIONAL COMPANIES**

# MATRIX FOR COMPARISON OF TARIFF RATES

	Qwest Corporation			Access Point, Inc.		
	Maximum Business	Maximum Residential	Current Business	Current Residential	Maximum Business	Maximum Residential
<u>Local Exchange</u>						
Initial	\$91.20	\$30.00	\$30.40	\$13.18	\$30.40	\$13.18
Additional	\$91.20	\$30.00	\$30.40	\$10.00	\$30.40	\$10.00
<u>PBX</u>	<u>MCR</u>	<u>NRC</u>	<u>MCR</u>	<u>NRC</u>	<u>MCR</u>	<u>NRC</u>
2-Way	\$115.53	\$112.00	\$39.00	\$65.00	\$78.00	\$65.00
2-Way 4-wire etc.	\$220.53	\$132.00	\$74.00	\$75.00	\$148.00	\$75.00
1-Way outgoing only	\$115.53	\$112.00	\$39.00	\$65.00	\$78.00	\$65.00
1-Way ingoing only	\$115.53	\$112.00	\$39.00	\$65.00	\$78.00	\$65.00
1-Way ingoing Hunting	\$127.53	\$132.00	\$44.00	\$75.00	\$148.00	\$75.00
TTT-LD Terminal	\$51.48	\$254.00	\$20.00	\$150.00	\$40.00	\$150.00
	<u>NRC</u>	<u>NRC</u>	<u>NRC</u>	<u>NRC</u>	<u>NRC</u>	<u>NRC</u>
Initial installation			\$42.50		\$55.00	\$27.50
Customer Service			\$27.50		\$20.00	\$10.00
Change						
PBX Change Charge			\$42.50		\$50.00	\$25.00
Premises Visit						
Premise work charge						
Initial 30 minutes	\$126.00	\$126.00	\$62.00	\$62.00	\$120.00	\$60.00
Additional 15 minutes	\$27.00	\$27.00	\$13.50	\$13.50	\$60.00	\$30.00
Restoral of Service					\$32.00	\$16.00
Trouble Isolation	\$190.00	\$170.00	\$95.00	\$85.00	\$170.00	\$85.00
Charge						

# MATRIX FOR COMPARISON OF TARIFF RATES

	Ernest Communications		Access Point, Inc.		Current Residential
	Maximum Business	Maximum Residential	Maximum Business	Maximum Residential	
Local Exchange					
Initial	\$50.00	\$15.00	\$30.40	\$26.36	\$13.18
Additional	\$50.00	\$15.00	\$30.40	\$20.00	\$10.00
PBX	MCR	NRC	MCR	MCR	NRC
2-Way	\$75.00	\$32.75	\$39.00	\$78.00	\$65.00
2-Way 4-wire etc.				\$148.00	\$75.00
1-Way outgoing only				\$78.00	\$65.00
1-Way ingoing only				\$78.00	\$65.00
1-Way ingoing Hunting				\$148.00	\$75.00
TTT-LD Terminal				\$40.00	\$150.00
Initial installation	\$62.00	\$31.00	\$42.50	\$55.00	\$27.50
Customer Service	\$36.20	\$18.10	\$27.50	\$20.00	\$10.00
Change					
PBX Change Charge	\$31.00	\$15.50	\$32.50	\$50.00	\$25.00
Premises Visit					
Premise work charge					
Initial 30 minutes	\$29.20	\$29.20	\$60.00	\$120.00	\$60.00
Additional 15 minutes	\$17.00	\$8.50	\$30.00	\$60.00	\$30.00
Restoral of Service				\$32.00	\$16.00
Trouble Isolation				\$170.00	\$85.00
Charge					

# MATRIX FOR COMPARISON OF TARIFF RATES

	BullsEye Telecom, Inc.			Access Point, Inc.		
	Maximum <u>Business</u>	Maximum <u>Residential</u>	Current <u>Business</u>	Maximum <u>Residential</u>	Maximum <u>Business</u>	Current <u>Residential</u>
<u>Local Exchange</u>						
Initial	\$65.00		\$30.40	\$26.36	\$30.40	\$13.18
Additional	\$65.00		\$30.40	\$20.00	\$30.40	\$10.00
<u>PBX</u>	<u>MCR</u>	<u>NRC</u>	<u>MCR</u>	<u>MCR</u>	<u>MCR</u>	<u>NRC</u>
2-Way	\$75.00			\$78.00	\$39.00	\$65.00
2-Way 4-wire etc.				\$148.00	\$74.00	\$75.00
1-Way outgoing only				\$78.00	\$39.00	\$65.00
1-Way ingoing only				\$78.00	\$39.00	\$65.00
1-Way ingoing Hunting				\$148.00	\$44.00	\$75.00
TTT-LD Terminal				\$40.00	\$20.00	\$150.00
Initial installation	\$90.00		\$42.50	\$55.00	\$42.50	\$27.50
Customer Service	\$60.00		\$27.50	\$20.00	\$27.50	\$10.00
Change						
PBX Change Charge					\$32.50	\$25.00
Premises Visit	\$50.00		\$25.00	\$50.00	\$25.00	
<u>Premise work charge</u>						
Initial 30 minutes	\$120.00		\$60.00	\$120.00	\$60.00	\$60.00
Additional 15 minutes	\$60.00		\$30.00	\$60.00	\$30.00	\$30.00
Restoral of Service	\$35.00		\$16.00	\$32.00	\$16.00	\$16.00
Trouble Isolation				\$170.00	\$95.00	\$85.00
Charge						

Issued: 4-24-06

Effective: 5-1-06  
Per Decision No. 68604

**13. CUSTOMER PREMISES WIRE AND MAINTENANCE PLANS**

**13.2 PREMISES WORK CHARGES**

**D. Charges (Cont'd)**

3. Holidays subject to Schedule III Residence and Business Charges are:

HOLIDAYS	DAY OBSERVED
New Year's Day	January 1
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Thanksgiving Day	Fourth Thursday in November
Christmas Day	December 25

4. Trouble Isolation Charge[1]

Applies to residence and business customers, not subscribing to a Company Premises Wire Maintenance Plan, for each repair visit made to a premises to test the central office line, up to the demarcation point, when the line tests clear and the trouble is not found in the Company facilities.

	USOC	NONRECURRING CHARGE	
		MAXIMUM	CURRENT
• Residence	LTESX	\$170.00	\$85.00
• Business	LTESX	190.00	95.00

[1] See C.11., preceding, for charge applications.

[2] USOC LTESX includes Premises Visit Charge.

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Issued: 4-24-06

Effective: 5-1-06  
Per Decision No. 68604

13. CUSTOMER PREMISES WIRE AND MAINTENANCE PLANS

13.2 PREMISES WORK CHARGES

13.2.1 NETWORK PREMISES WORK CHARGES

B. Terms and Conditions (Cont'd)

6. The initial Network Premises Charge, as well as additional Network Premises Work Charges, will apply if applicable, for the first and subsequent move of network equipment, drop wire, entrance facilities, etc., on the customer's premises, made at the customer's request, as a result of the customer's remodeling/redecorating or any other customer activity requiring the first and subsequent visit for moves.

C. Charges

1. Network Premises Work Charges - each 15 minutes or fraction thereof of billable premises work.

	USOC	NONCOMPLEX MAXIMUM	CURRENT
• Schedule I			
Applicable to work Performed during regularly scheduled business hours.			
- Initial Premises Work Charge			
First 15-minute Increments or fraction thereof, of billable premises work	HRH11	\$63.00	\$31.50
- Additional Premises Work Charge			
Each additional 15- minute increment, or fraction thereof, of billable premises work	HRHA1	27.00	13.50

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Issued: 4-24-06

Effective: 5-1-06  
Per Decision No. 68604

13. CUSTOMER PREMISES WIRE AND MAINTENANCE PLANS

13.2 PREMISES WORK CHARGES

13.2.1 NETWORK PREMISES WORK CHARGES

C.1. (Cont'd)

	USOC	COMPLEX MAXIMUM	CURRENT
• Schedule I			
Applicable to work Performed during regularly scheduled business hours.			
- Initial Premises Work Charge			
First 15-minute Increments or fraction thereof, of billable premises work	HRH11	\$112.00	\$56.00
- Additional Premises Work Charge			
Each additional 15- minute increment, or fraction thereof, of billable premises work	HRHA1	27.00	13.50

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Issued: 4-24-06

Effective: 5-1-06  
Per Decision No. 68604

13. CUSTOMER PREMISES WIRE AND MAINTENANCE PLANS

13.2 PREMISES WORK CHARGES

13.2.1 NETWORK PREMISES WORK CHARGES

C.1. (Cont'd)

	USOC	NONCOMPLEX MAXIMUM	CURRENT
• Schedule II			
Applicable to work Performed at hours other than Schedule I, excluding Sundays and holidays.			
- Initial Premises Work Charge			
First 15-minute increments or fraction thereof, of billable premises work	HRH12	\$63.00	\$31.50
- Additional Premises Work Charge			
Each additional 15- minute increment, or fraction thereof, of billable premises work	HRHA2	30.00	15.00



Issued: 4-24-06

Effective: 5-1-06  
Per Decision No. 68604

**13. CUSTOMER PREMISES WIRE AND MAINTENANCE PLANS**

**13.2 PREMISES WORK CHARGES**

**13.2.1 NETWORK PREMISES WORK CHARGES**

C.1. (Cont'd)

	USOC	COMPLEX MAXIMUM	CURRENT
• Schedule II			
Applicable to work Performed at hours other than Schedule I, excluding Sundays and holidays.			
- Initial Premises Work Charge			
First 15-minute increments or fraction thereof, of billable premises work	HRH12	\$112.00	\$56.00
- Additional Premises Work Charge			
Each additional 15- minute increment, or fraction thereof, of billable premises work	HRHA2	30.00	15.00

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Issued: 4-24-06

Effective: 5-1-06  
Per Decision No. 68604

13. CUSTOMER PREMISES WIRE AND MAINTENANCE PLANS

13.2 PREMISES WORK CHARGES

13.2.1 NETWORK PREMISES WORK CHARGES

C.1. (Cont'd)

	USOC	NONCOMPLEX MAXIMUM	CURRENT
• Schedule III			
Applicable to work performed on Sundays and Holidays			
- Initial Premises Work Charge			
- First 15-minute increments or fraction thereof, of billable premises work	HRH13	\$63.00	\$31.50
- Additional Premises Work Charge			
Each additional 15- minute increment, or fraction thereof, of billable premises work	HRHA3	40.00	20.00

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Issued: 4-24-06

Effective: 5-1-06  
Per Decision No. 68604

13. CUSTOMER PREMISES WIRE AND MAINTENANCE PLANS

13.2 PREMISES WORK CHARGES

13.2.1 NETWORK PREMISES WORK CHARGES

C.1. (Cont'd)

	USOC	COMPLEX MAXIMUM	CURRENT
• Schedule III			
Applicable to work performed on Sundays and Holidays			
- Initial Premises Work Charge			
First 15-minute increments or fraction thereof, of billable premises work	HRH13	\$112.00	\$56.00
- Additional Premises Work Charge			
Each additional 15- minute increment, or fraction thereof, of billable premises work	HRHA3	40.00	20.00

2. Holidays subject to Schedule III Charges are:

HOLIDAYS	DAY OBSERVED
New Year's Day	January 1
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Thanksgiving Day	Fourth Thursday in November
Christmas Day	December 25

Issued: 4-24-06

Effective: 5-1-06  
Per Decision No. 68604

**5. EXCHANGE SERVICES**

**5.2 LOCAL EXCHANGE SERVICE (CONT'D)**

**5.2.4 FLAT RATE SERVICE**

This service entitles customers to an unlimited number of calls within the local calling area. Incremental charges, as shown in 5.1.6.A., apply to service outside the exchange base rate area.

**A. Rates and Charges**

**1. The nonrecurring charge associated with the provision of flat rate service applies:**

- To install each access line;
- For connecting an access line when changing a grade of service from PBX service.

**2. Residence Flat Rate Service**

	USOC	NONRECURRING CHARGE	MONTHLY RATE
• Individual line, each[1]	1FR	\$27.50	\$13.18

(D)  
(D)

[1] See the Competitive Exchange and Network Services Price Cap Tariff No. 2 for Residence Flat Rate Service additional lines, in 5.2.4 of that tariff.

(N)  
(N)

Issued: 3-31-03

Effective: 4-1-03

5. EXCHANGE SERVICES

5.2 LOCAL EXCHANGE SERVICE

5.2.5 LOCAL SERVICE OPTIONS

A.2. (Cont'd)

g. Rates and Charges

- (1) The rate for a Service Station line does not include a telephone or equivalent.
- (2) The nonrecurring charge associated with the provision of flat rate service access line applies:
  - To install each access line.
  - For connecting an access line when changing a grade of service to or from PBX Service.

	USOC	NONRECURRING CHARGE	MONTHLY RATE
Each Service Station Line Connected[1]			
• Residence - One-party	1SS	[1]	[1]
• Business - One-party	SB1	\$42.50 (R)	\$30.40 (R)

[1] Regular rates and charges applicable at point of connection for the grade of service the facility is equipped to provide. See 5.2.4 for rates and charges.

[2] This page previously canceled Page 27.

Issued: 4-24-06

Effective: 5-1-06  
Per Decision No. 68604

5. EXCHANGE SERVICES

5.2 LOCAL EXCHANGE SERVICE

5.2.4 FLAT RATE SERVICE

A. Rates and Charges (Cont'd)

3. Business Flat Rate Service

	USOC	NONRECURRING CHARGE	MONTHLY RATE
• Individual line, each[1]	1FB	\$42.50 (R)	\$30.40 (R)

(D)  
(D)

4. Nonrecurring Change Charge

See 5.2.A.4.b. for applicable nonrecurring change charges.

[1] See the Competitive Exchange and Network Services Price Cap Tariff No. 2 for Business Flat Rate Service additional lines, in 5.2.4 of that tariff.

(N)  
(N)

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Issued: 4-24-06

Effective: 5-1-06  
Per Decision No. 68604

5. EXCHANGE SERVICES

5.2 LOCAL EXCHANGE SERVICE (CONT'D)

5.2.4 FLAT RATE SERVICE[1]

This service entitles customers to an unlimited number of calls within the local calling area. Incremental charges, as shown in 5.1.6.A. of the Exchange and Network Services Price Cap Tariff, apply to service outside the exchange base rate area.

A. Rates and Charges

1. The nonrecurring charge associated with the provision of flat rate service applies:

- To install each access line;
- For connecting an access line when changing a grade of service from PBX service.

2. Residence Flat Rate Service

	USOC	NONRECURRING CHARGE MAXIMUM	CURRENT
• Additional individual line, each	AFH	\$55.00	\$27.50

3. Business Flat Rate Service

• Additional individual line, each	AFK	85.00	42.50
------------------------------------	-----	-------	-------

	USOC	MAXIMUM MONTHLY RATE	CURRENT MONTHLY RATE
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2. Residence Flat Rate Service

• Additional individual line, each	AFH	\$30.00	\$10.00
------------------------------------	-----	---------	---------

3. Business Flat Rate Service

• Additional individual line, each	AFK	91.20	30.40
------------------------------------	-----	-------	-------

[1] A Basket 2 Service. See Preface Page 1, preceding.

Issued: 4-24-06

Effective: 5-1-06  
Per Decision No. 68604

5. EXCHANGE SERVICES

5.2 LOCAL EXCHANGE SERVICE (CONT'D)

5.2.4 FLAT RATE SERVICE

This service entitles customers to an unlimited number of calls within the local calling area. Incremental charges, as shown in 5.1.6.A., apply to service outside the exchange base rate area.

A. Rates and Charges

1. The nonrecurring charge associated with the provision of flat rate service applies:

- To install each access line;
- For connecting an access line when changing a grade of service from PBX service.

2. Residence Flat Rate Service

	USOC	NONRECURRING CHARGE	MONTHLY RATE
• Individual line, each[1]	1FR	\$27.50	\$13.18

(D)  
(D)

[1] See the Competitive Exchange and Network Services Price Cap Tariff No. 2 for Residence Flat Rate Service additional lines, in 5.2.4 of that tariff.

(N)  
(N)



Issued: 4-24-06

Effective: 5-1-06  
Per Decision No. 68604

**5. EXCHANGE SERVICES**

**5.2 LOCAL EXCHANGE SERVICE**

**5.2.4 FLAT RATE SERVICE**

**A. Rates and Charges (Cont'd)**

**3. Business Flat Rate Service**

	<b>USOC</b>	<b>NONRECURRING CHARGE</b>	<b>MONTHLY RATE</b>
• Individual line, each[1]	1FB	\$42.50 (R)	\$30.40 (R)

(D)  
(D)

**4. Nonrecurring Change Charge**

See 5.2.A.4.b. for applicable nonrecurring change charges.

[1] See the Competitive Exchange and Network Services Price Cap Tariff No. 2 for Business Flat Rate Service additional lines, in 5.2.4 of that tariff.

(N)  
(N)

Issued: 3-1-07

Effective: 4-1-07

## 5. EXCHANGE SERVICES

### 5.3 PRIVATE BRANCH EXCHANGE (PBX) TRUNKS (CONT'D)

#### 5.3.3 FLAT RATE TRUNKS[1]

- A. Two-way, four-wire trunk with E&M signaling, *DID* Service and hunting is not available to Joint User Service customers.
- B. The Business Trunk rates do not apply when a customer subscribes to a Rate Stabilized Plan as specified in E., following. This Rate Stabilized Plan will not include Flat Rate Resale Access trunks as found in 5.10, following or two-way, four-wire trunks with E&M signaling, *DID* Service and hunting.
- C. The following nonrecurring charge applies per trunk to install and to connect a trunk when changing a grade of service to PBX Service.

Business	USOC	NONRECURRING CHARGE	
		MAXIMUM	CURRENT
• 2-Way	TFB	\$112.00	\$ 65.00 (I)
• 2-Way, 4-wire with E&M signaling, <i>DID</i> and hunting[2]	THHCX	132.00	75.00
• 1-Way out	TFU	112.00	65.00
• 1-Way in	TFN	112.00	65.00
• 1-Way in, with hunting for <i>DID</i> [2]	TDD	132.00	75.00
• TTT-LD terminal	TTT	254.00	150.00 (I)

Business	USOC	MAXIMUM MONTHLY RATE	CURRENT MONTHLY RATE
• 2-Way	TFB	\$115.53	\$39.00 (I)
• 2-Way, 4-wire with E&M signaling, <i>DID</i> and hunting[2]	THHCX	220.53	74.00
• 1-Way out	TFU	115.53	39.00
• 1-Way in	TFN	115.53	39.00
• 1-Way in, with hunting for <i>DID</i> [2]	TDD	127.53	44.00
• TTT-LD terminal	TTT	51.48	20.00 (I)

[1] A Basket 2 Service. See Preface Page 1, preceding.

[2] Requires a *DID* trunk circuit termination. See 5.3.4, following, for terms, conditions, rates and charges.

## LOCAL EXCHANGE SERVICE

## 3. DESCRIPTION OF SERVICE

## 3.2 Local Exchange Service (Cont'd)

## 3.2.3 The Total Works Package

The Customer may subscribe to the Total Works Package and receive the following features for a discounted price as specified in Section 4.1.3, following: Automatic Busy Redial, Automatic Call Return, Call Block, Call Forwarding, Call Forwarding-Remote Access, Call Forwarding-Selective, Call Waiting, Caller ID with Name and Number, Priority Call, Speed Calling 8, and Three-Way Calling.

	Maximum Rate per Month
Rate per access line	\$50.00

## 3.2.4 Nonrecurring Charge

A nonrecurring charge as specified in Section 4.1.4 will apply per line per Customer request to establish or change one or more features.

	Maximum Charge
Charge for addition or change, per line per order	\$20.00

## 3.3 Operator Assisted Service

## 3.3.1 General

Customers may obtain the assistance of a local operator, either live or automated, to complete local exchange telephone calls. Various billing arrangements are available with the Company's Operator Assisted Service including Calling Card, Operator Station (Collect, Billed to Third Party, other Operator Assisted) and Person-to-Person. Collect calls to coin telephones and transfers of charges to third telephones, which are coin telephones, will not be accepted. A service charge applies to calls placed with the assistance of an operator, as specified in Section 4.2, following.

	Maximum Rate Per Call
3.3.2 Rates	
A. Calling Card	
1. Automated	\$2.00
2. Non-Automated	\$2.50
B. Operator Station	\$4.00
C. Person-to-Person	\$5.00

APPROVED FOR FILING  
DECISION #: 63142

Issued: April 28, 2000

Effective: 11-16-00

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## LOCAL EXCHANGE SERVICE

**3. DESCRIPTION OF SERVICE****3.7 Directory Listings****3.7.1 General**

The Company will arrange for the listing of the Customer's main billing number in the **directory(ies)** published by the dominant Local Exchange Carrier in the area at no additional charge. At the Customer's option the Company will arrange for additional listings at an additional charge, as specified in Section 4.6. In addition, any and all appropriate Service Charges as prescribed in Section 4.10 will apply.

**3.7.2 Rates**

Maximum  
Monthly Rate

A. First Listing

\$1.50

B. Each Additional Listing

\$5.00

**3.8 Private Branch Exchange (PBX) Service****3.8.1 General**

A type of service providing an arrangement of switching equipment and stations for intercommunicating among the stations and for connections through the Company-provided local and long distance message telephone network to other Customers. Charges for PBX Service may be found in Section 4.7, following.

**3.8.2 Rates**

Maximum  
Monthly Rate

A. PBX Access Line, Each

\$75.00

B. Per Line Hunting

\$10.00

APPROVED FOR FILING

DECISION #: 63142Issued: April 28, 2000Effective: 11-16-00

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## LOCAL EXCHANGE SERVICE

## 3. DESCRIPTION OF SERVICE

## 3.12 Service Charges

## 3.12.1 General

The following Service Charges are nonrecurring charges that apply to the ordering, installing, moving, changing, rearranging or furnishing of telecommunication services or facilities. Rates for the following service charges may be found in Section 4.10.

- A. Access Line Connection Charge is a charge that applies to establishing an access line. The charge includes service ordering, central office work, and exchange access line work.
- B. Secondary Service Charge is a charge per Customer request for the receiving, recording, and processing of Customer requests to change services or add new or additional services.
- C. Line Change Charge is a charge that applies per line to miscellaneous Customer requested changes on existing service for, but not limited to, number changes and suspend/restore.
- D. Premises Work Charge is a nonrecurring charge based on the labor time and miscellaneous material required to perform Customer requested work such as rearranging the drop wire, protector and/or network interface.

## 3.12.2 Rates

	Maximum Charge Per Order
A. Access Line Connection Charge	
1. Initial Line	\$62.00
2. Each Additional Line	\$28.30
B. Secondary Service Charge	\$36.20
C. Line Change Charge	
1. Initial Line	\$3 1.00
2. Each Additional Line	\$16.70
D. Premises Work Charge	
1. Initial 15 Minutes	\$29.20
2. Each Additional 15 Minute Increment	\$17.00

APPROVED FOR FILING  
DECISION #: 63142

Issued: April 28, 2000Effective: 11-16-00

Joseph J. Ernest, Chief Executive Officer  
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LOCAL EXCHANGE SERVICE

4. RATES AND CHARGES

4.1 Local Exchange Service

Monthly  
Rate

4.1.1 Business Local Access Line

\$15.00

APPROVED FOR FILING  
DECISION #: 63142

Issued: April 28, 2000

Effective: 11-16-00

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## LOCAL EXCHANGE SERVICE

## 4. RATES AND CHARGES

4.1	Local Exchange Service (Cont'd)	Monthly
4.1.2	Optional Features for Business Service	<u>Rate</u>
	A. Rate Per Access Line	
	1. Anonymous Call Rejection	\$3.85
	2. Automatic Busy Redial	\$3.00
	3. Automatic Call Return	\$2.55
	4. Call Block	\$2.55
	5. Call Forwarding	\$7.45
	6. Call Forwarding-Busy Line	\$2.55
	7. Call Forwarding-No Answer	\$3.40
	8. Call Forwarding-Busy/No Answer	\$4.70
	9. Call Forwarding-Remote Access	\$6.60
	10. Call Forwarding-Selective	\$3.00
	11. Call Waiting	\$6.35
	12. Caller ID	\$6.35
	13. Caller ID with Name & Number	\$6.75
	14. Caller ID Block	N/C
	15. Priority Call	\$3.00
	16. Speed Calling (8-Code)	\$2.55
	17. Speed Calling (30-Code)	\$3.80
	18. Three-Way Calling	\$3.40
	19. Toll Restriction	\$3.00
	B. Per Call Features	<u>Charge per Use</u>
	1. Automatic Busy Redial	\$0.75
	2. Automatic Call Return	\$0.75
	3. Three-Way Calling	\$0.75
	C. Call Trace, per Activation	\$2.00

APPROVED FOR FILING  
DECISION #: 63142

Issued: April 28, 2000Effective: 11-16-00

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## LOCAL EXCHANGE SERVICE

### 4. RATES AND CHARGES

4.1	Local Exchange Service (Cont'd)	Monthly <u>Rate</u>
4.1.3	The Total Works Package	\$25.00
	Rate per access line	
4.1.4	Charge for Addition or Change of Features	Nonrecurring <u>Charge</u>
	Addition or change per line per order	\$11.00
4.2	Operator Assisted Service	Rate <u>Per Call</u>
4.2.1	Calling Card	\$0.40
	A. Automated	\$0.75
	B. Non-Automated	\$1.10
4.2.2	Operator Station	\$2.70
4.2.3	Person-to-Person	
4.3	Busy Line Verification and Interruption Set-vice	\$1.50
4.3.1	Busy Line Verification, each request	\$3.00
4.3.2	Busy Line Interruption, each request	
4.4	Directory Assistance Service	\$0.40
	Each Call	
4.5	Directory Assistance Call Completion Service	\$0.60
	Each Completed Call	
4.6	Directory Listings	Monthly <u>Rate</u>
4.6.1	First Listing	N/C
4.6.2	Each Additional Listing	\$2.50

APPROVED FOR FILING  
DECISION #: 63142

Issued: April 28, 2000

Effective: 11-16-00

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## LOCAL EXCHANGE SERVICE

## 4. RATES AND CHARGES

4.7	Private Branch Exchange (PBX) Service		Monthly <u>Rate</u>
4.7.1	PBX Access Line, Each		\$32.75
4.7.2	Per Line Hunting		\$3.00
4.8	Direct Inward Dial (DID) Service	Nonrecuning <u>Charge</u>	Monthly <u>Rate</u>
4.8.1	DID Trunk Termination, per Trunk	N/C	\$18.75
4.8.2	DID Service, per Trunk Group		
	A. First block of 100 DID numbers assigned	\$126.10	\$135.10
	1. Each additional block of 10 DID numbers assigned over the first block of 100 numbers	\$12.60	\$1.15
	B. First block of 10 DID numbers assigned	\$92.45	\$20.35
	1. Each additional block of 10 DID numbers assigned over the first block of 10 numbers	\$3.75	\$12.75
4.9	Public Telephone Access Service		Monthly <u>Rate</u>
4.9.1	Rate Per Line		\$31.50
4.9.2	Volume Discount		
	<u>Number of Lines</u>		<u>% Discount</u>
	1 - 100		15%
	101+		20%

APPROVED FOR FILING  
DECISION #: 63142

Issued: April 28, 2000Effective: 11-16-00

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LOCAL EXCHANGE SERVICE

5. SPECIAL SERVICE ARRANGEMENTS

5.1 Individual Case Basis (ICB) Arrangements

Arrangements will be developed on a case-by-case basis in response to a bona fide special request from a Customer or prospective Customer to develop a competitive bid for a service not generally available under this tariff. ICB rates will be offered to Customers in writing and on a non-discriminatory basis.

APPROVED FOR FILING  
DECISION #: 63142

Issued: April 28, 2000

Effective: 11-16-00

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## LOCAL EXCHANGE SERVICE

## 4. RATES AND CHARGES

## 4.10 Service Charges

	Charge Per Order
4.10.1 Access Line Connection Charge	
A. Initial Line	\$31.00
B. Each Additional Line	\$14.15
4.10.2 Secondary Service Charge	\$18.10
4.10.3 Line Change Charge	
A. Initial Line	\$15.50
B. Each Additional Line	\$8.35
4.10.4 Premises Work Charge	
A. Initial 15 Minutes	\$14.60
B. Each Additional 15 Minute Increment	\$8.50

APPROVED FOR FILING

DECISION #: 63142

Issued: April 28, 2000Effective: 11-16-00Joseph J. Ernest, Chief Executive Officer  
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**SECTION 4 - SERVICE CHARGES AND SURCHARGES, (CONT'D.)**

**4.1 Service Order and Change Charges, (Cont'd.)**

**4.1.2 Maximum Rates**

New Installation Charge, per line:	\$90.00
Technician Dispatch Charge, per visit:	\$190.00
Service Order Change Charge, per order:	\$60.00
Move Charge, per request:	\$90.00
Telephone Number Change Charge, per request:	\$60.00

APPROVED FOR FILING  
DECISION #: 67751

Issued: April 15, 2005

Effective: May 16, 2005

By:

Scott Loney, Vice President – Marketing  
25900 Greenfield Road, Suite 330  
Oak Park, Michigan 48237

azl0501

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**SECTION 4 - SERVICE CHARGES AND SURCHARGES, (CONT'D.)****4.2 Restoral Charge**

A restoral charge applies each time a service is reconnected after suspension or termination for nonpayment but before cancellation of the service, as deemed in Section 1 of this Tariff.

Maximum Restoration, per line: \$35.00

**4.3 Premises Visit Charge**

Premises Visit charges apply when the installation of network access facilities or trouble resolution require a visit to the Customer's premises. This charge applies in addition to the Technician Dispatch Charge.

Maximum Premises Visit Charge, per visit \$50.00

Maximum Premises Work Charge:

Initial 30 minutes \$120.00

Each Additional 15 minutes \$60.00

APPROVED FOR FILING

DECISION #: 67751

Issued: April 15, 2005

Effective: May 16, 2005

By:

Scott Loney, Vice President – Marketing  
25900 Greenfield Road, Suite 330  
Oak Park, Michigan 48237

azl0501

## SECTION 5 - LOCAL EXCHANGE SERVICE, (CONT'D.)

## 5.2 Local Exchange Term Services, (Cont'd.)

## 5.2.1 Standard Flat Rate Service

Standard Flat Rate Service provides a Customer with analog, voice-grade telephonic communications channels that can be used to place or receive one call at a time. Lines are provided for the connection of Customer-provided wiring, telephone, facsimile machines or other station equipment. Local exchange service lines and trunks are provided on a single party (individual) basis only. No multi-party lines are provided.

An optional per line Hunting feature is available for multi-line Customers which routes a call to the next idle line in a prearranged group when the called line is busy.

## A. Application of Rates

Customers receive unlimited calling within their local calling area. No measured or message rate usage charges apply to calls placed to or received from areas within the local calling area.

## B. Maximum Rates

.1 Set Up Fee

A one-time set up fee, applied per Account.

	<u>Term</u>	
	<u>1 year</u>	<u>3 year</u>
NRC, per account	\$100.00	\$50.00

.2 Access Line Charge, per month, per line

	<u>Term</u>	
	<u>1 year</u>	<u>3 year</u>
Initial Line:	\$65.00	\$65.00
Additional line, each:	\$65.00	\$65.00

APPROVED FOR FILING

DECISION # 67751

Issued: April 15, 2005

Effective: May 16, 2005

By:

Scott Loney, Vice President - Marketing  
25900 Greenfield Road, Suite 330  
Oak Park, Michigan 48237

azl0501

---

SECTION 11 - CURRENT PRICE LIST

11.1 Service Charges and Surcharges

11.1.1 Service Order and Change Charges

New Installation Charge, per line:	\$42.50
Technician Dispatch Charge, per visit:	\$95.00
Service Order Change Charge, per order:	\$27.50
Move Charge, per request:	\$42.50
Telephone Number Change Charge, per request:	\$30.50

APPROVED FOR FILING

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Effective: May 16, 2005

By:

Scott Loney, Vice President - Marketing  
25900 Greenfield Road, Suite 330  
Oak Park, Michigan 48237

azl0501

---

SECTION 11 - CURRENT PRICE LIST

11.1 Service Charges and Surcharges, (Cont'd.)

11.1.2 Restoral Charge

Restoration, per line: \$16.00

11.1.3 Premises Visit Charge

Premises Visit Charge, per visit \$25.00

Premises Work Charge:

Initial 30 minutes \$60.00

Each Additional 15 minutes \$30.00

11.1.4 Carrier Presubscription

Per business or residence line, trunk, or port

Initial Line, or Trunk or Port \$5.00

Additional Line, Trunk or Port \$5.00

APPROVED FOR FILING

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By:

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25900 Greenfield Road, Suite 330  
Oak Park, Michigan 48237

azl0501



## SECTION 11 – CURRENT PRICE LIST, (CONT'D.)

## 11.1 Service Charges and Surcharges, (Cont'd.)

## 11.1.5 Public Telephone Surcharge

Rate Per Call: \$0.60

## 11.1.6 Return Check Charge

Per Check Returned: \$25.00

## 11.2 Local Exchange Services

## 11.2.1 Local Exchange Term Services

## A. Standard Flat Rate Service

.1 Set Up Fee

A one-time set up fee, applied per Account.

	<u>1 year</u>	<u>Term</u>	<u>3 year</u>
NRC, per account	\$50.00		\$0.00

.2 Access Line Charge, per month, per line

	<u>1 year</u>	<u>Term</u>	<u>3 year</u>
Initial Line:	\$30.40		\$30.40
Additional line, each:	\$30.40		\$30.40

APPROVED FOR FILING

DECISION #: 67751

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By:

Scott Loney, Vice President – Marketing  
25900 Greenfield Road, Suite 330  
Oak Park, Michigan 48237

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SECTION 11 - CURRENT PRICE LIST, (CONT'D.)

11.2 Local Exchange Services, (Cont'd.)

11.2.2 Hunting Line Service

	<u>Per Month</u>
Basic Hunting, per access line:	\$6.40
Circular Hunting, per hunt group	\$3.00
Preferential Hunting, per access line	\$1.00

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DECISION #: 67751

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By:

Scott Loney, Vice President - Marketing  
25900 Greenfield Road, Suite 330  
Oak Park, Michigan 48237

azl0501

## SECTION 11 – CURRENT PRICE LIST, (CONT'D.)

## 11.3 Supplemental Services

## 11.3.1 Call Management Services

## A. Features Offered on Monthly Basis

Feature	Monthly Charge
Abbreviated Access, one digit, each line	\$0.50
Abbreviated Access, two digit, each line	\$0.50
Call Forwarding Busy Line (expanded)	\$3.00
Call Forwarding Busy Line (external)	\$3.00
Call Forwarding Busy Line (Overflow)	\$6.40
Call Forwarding Busy Line/Don't Answer (expanded)	\$5.50
Call Forwarding Busy Line/Don't Answer (external)	\$5.50
Call Forwarding Busy Line/Don't Answer (Overflow)	\$9.90
Call Forwarding Busy Line (programmable)	\$8.00
Call Forwarding Don't Answer	\$4.00
Call Forwarding Don't Answer (expanded)	\$4.00
Call Forwarding Don't Answer (Programmable)	\$4.50
Call Forwarding Variable	\$4.80
Call Rejection	\$4.50
Call Transfer	\$6.00
Call Waiting	\$7.50
Caller ID – Name & Number	\$7.95
Caller Id – Number	\$7.50
Caller ID with Privacy	\$10.95
Continuous Redial	\$3.50
Dial Call Waiting	\$2.15

APPROVED FOR FILING

DECISION #: 67751

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Effective: May 16, 2005

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Scott Loney, Vice President – Marketing  
25900 Greenfield Road, Suite 330  
Oak Park, Michigan 48237

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## SECTION 11 – CURRENT PRICE LIST, (CONT'D.)

## 11.3 Supplemental Services, (Cont'd.)

## 11.3.1 Call Management Services, (Cont'd.)

## A. Features Offered on Monthly Basis, (Cont'd.)

Feature	Monthly Charge
Directed Call Pick Up	\$1.00
Directed Call Pick Up with Barge-In	\$1.00
Distinctive Alert	\$1.00
Do Not Disturb	\$3.95
Easy Access	\$0.98
Hot Line	\$2.00
Last Call Return	\$3.00
No Solicitation	\$6.95
Priority Call	\$3.50
Remote Access to Call forwarding	\$7.75
Scheduled Forwarding	\$8.75
Security Screen	\$2.95
Selective Call Forwarding	\$3.50
Selective Call Waiting	\$7.50
Speed Calling (8 code)	\$3.00
Speed Calling (30 code)	\$4.50
Talking Call Waiting	\$3.95
Three-Way Calling	\$4.00
Warm Line	\$2.50
Wireless Extension	\$4.95
Market Expansion Line, each line <sup>1</sup>	\$15.20
Custom Ringing Service – one number	\$7.45
Custom Ringing Service – 2 <sup>nd</sup> number	\$5.25
Custom Ringing Service – 3 <sup>rd</sup> number	\$5.25

<sup>1</sup> A nonrecurring charge of \$30.00 per line applies.

APPROVED FOR FILING

DECISION #: 107751

Issued: April 15, 2005

Effective: May 16, 2005

By:

Scott Loney, Vice President – Marketing  
25900 Greenfield Road, Suite 330  
Oak Park, Michigan 48237

az10501

## SECTION 11 - CURRENT PRICE LIST, (CONT'D.)

## 11.3 Supplemental Services, (Cont'd.)

## 11.3.1 Call Management Services, (Cont'd.)

## B. Features Offered on a Usage Sensitive Basis

Feature	Per Use
3-Way Calling	\$0.75
Continuous Redial	\$0.75
Last Call Return (*69)	\$0.95
I-Called, per activation	\$0.95
Caller Originating Trace	\$2.00

## 11.3.2 Directory Assistance Services

## A. Local Directory Assistance

	<u>Per query</u>
Local Directory Assistance	
Direct dialed:	\$1.15
Via operator :	\$3.45
Payphone:	\$1.00

## B. Call Completion

Per completed call	\$0.30
--------------------	--------

## C. National Directory Assistance Service

Direct dialed	\$1.25
---------------	--------

APPROVED FOR FILING  
DECISION #: 67751

Issued: April 15, 2005

Effective: May 16, 2005

By:

Scott Loney, Vice President - Marketing  
25900 Greenfield Road, Suite 330  
Oak Park, Michigan 48237

az10501

SECTION 11 - CURRENT PRICE LIST, (CONT'D.)

11.3 Supplemental Services, (Cont'd.)

11.3.3 Operator Services

A. Usage Charges

Usage charges for local and intraLATA operator assisted calls are those usage charges that would normally apply to the calling party's service.

B. Per Call Service Charges

Customer Dialed Calling Card	\$3.00
Operator Assisted Station-to-Station	\$3.80
Operator Assisted Person-to-Person	\$6.00

APPROVED FOR FILING

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By:

Scott Loney, Vice President - Marketing  
25900 Greenfield Road, Suite 330  
Oak Park, Michigan 48237

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## SECTION 11 - CURRENT PRICE LIST, (CONT'D.)

## 11.3 Supplemental Services, (Cont'd.)

## 11.3.4 Busy Line Verification and Interrupt Service

Busy Verification Charge, each request: \$3.00

Emergency Interrupt Charge, each request: \$6.00

## 11.3.5 Directory Listing Services

	<u>Monthly</u>
Additional Listing, per listing:	\$3.00
Foreign Listing:	\$3.00
Non-published Service, per listing:	\$1.80
Non-directory Listed Service, per listing:	\$1.45

## 11.3.6 Toll Restriction Service

Nonrecurring Charge: \$27.50

Monthly Recurring Charge: \$5.00

## 11.3.7 Operator Screening

Nonrecurring Charge: \$27.50

Monthly Recurring Charge: \$5.00

APPROVED FOR FILING

DECISION #: 67751

Issued: April 15, 2005

Effective: May 16, 2005

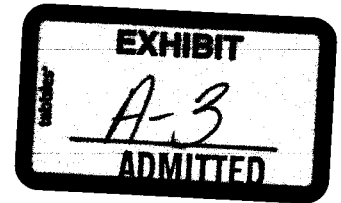
By:

Scott Loney, Vice President - Marketing  
25900 Greenfield Road, Suite 330  
Oak Park, Michigan 48237

az10501



September 5, 2008  
Via Overnight Delivery



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2008 SEP -9 P 4: 27

2600 Maitland Center Pkwy.  
Suite 300  
Maitland, FL 32751  
P.O. Drawer 200  
Winter Park, FL  
32790-0200  
Tel: 407-740-8575  
Fax: 407-740-0613  
www.tminc.com

Docket Control Center  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 80557-2927

AZ CORP COMMISSION  
DOCKET CONTROL

T-03446A-08-0035

RE: Data Response for Access Point, Inc.

Dear Sir/Madame:

Enclosed for filing are the original and thirteen (13) copies of the above response to the data request of June 5, 2008, by Pamela J. Genung, submitted on behalf of Access Point, Inc.

Please acknowledge receipt of this filing by date stamping the extra copy of this cover letter and returning it to me in the self-addressed, stamped envelope provided for that purpose.

Any questions you may have regarding this filing may be directed to me attention at 407-740-3001 or via email to [tforte@tminc.com](mailto:tforte@tminc.com). Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas M. Forte".

Thomas M. Forte  
Consultant to Access Point, Inc.

TMF/rg

cc: Jason Brown - Access Point  
file: Access Point - AZ Local  
tms: AZL0800b

RECEIVED BY

SEP 15 2008

TECHNOLOGIES  
MANAGEMENT, INC.



ARIZONA CORPORATION COMMISSION  
STAFF'S SECOND SET OF DATA REQUESTS TO  
ACCESS POINT, INC.  
DOCKET NO. T-03446A-08-0055

Please make sure each numbered item and each part of the item is answered completely. In order for Staff to continue with its review of this application, the following information must be submitted:

STF 2.1      Based on the information provided in Access Point's Application and Responses to Staff's First Set of Data, Staff has concluded that the answer to Item B-4 (3) regarding the Company's net book value of all Arizona jurisdictional assets expected to be used in the provision of telecommunications service to Arizona customers at the end of the first twelve months of operation is zero. Please verify whether Staff's conclusion is correct. If that is incorrect, please provide the correct dollar amount.

Response:

Staff's assumption regarding Access Point's Arizona jurisdictional assets is correct.

STF 2.2      Please verify whether Access Point is requesting authority to provide Private Line telecommunications services in Arizona in addition to its request for Resold Local Exchange and Facilities-based Local Exchange telecommunications services.

Response:

No. Access Point, Inc. is not requesting authority to provide Private Line services within Arizona.

STF 2.3      If Access Point is also seeking authority to provide Private Line telecommunications services, please identify by referencing the tariff page number(s) where those rates can be found and/or submit updated proposed tariff pages containing those rates. If Access Point does not wish to provide Private Line services, please indicate as such so that Original Pages 1 and 2 in Section 4 of Access Point's proposed Arizona Tariff No. 3 can be removed.

Response:

Please see Attachment I to this response for those tariff pages that needed to be revised for the removal of references to Private Line services. Corrected tariff pages included in this response are Preface - Original Page 3 and Section 4 - Original Pages 1, 2 and 3.

STF 2.4      As previously requested in Item STF 1.11 of Staff's First Set of Data Requests to Access Point, please provide the requested rate comparison information regardless of whether the rates in other states/jurisdictions that Access Point provides services are higher or lower than those proposed in Arizona.

Response:

Please see Attachment II to this response for a summary of rate plans from states where Access Point is currently providing services.

## **ATTACHMENT I**

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**CHECK SHEET, (CONT'D.)**

Section	Page	Revision		Section	Page	Revision	
4	1	Original	*	5	1	Original	*
4	2	Original	*				
4	3	Original	*	6	1	Original	*

\* - indicates those pages included with this filing.

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZ10800

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## SECTION 4 - SERVICE OFFERINGS

### 4.1 Basic Local Exchange Service

#### 4.1.1 General

Basic Local Exchange Service provides a Customer with a telephonic connection to, and a unique telephone number on, the Company switching network that enables the Customer to:

- (A) receive calls from other stations on the public switched telephone network;
- (B) access the Company Local Calling Services and other Services as set forth in this tariff;
- (C) access interexchange calling services of the Company and of other carriers;
- (D) access (at no additional charge) to Company operators and business office for service related assistance;
- (E) access toll-free telecommunications services such as 800 NPA; and access toll-free emergency services by dialing 0 or 9-1-1 (where available);
- (F) access relay services for the hearing and/or speech impaired.

Basic Local Exchange Services cannot be used to originate calls to caller-paid information services (e.g., 900, 976) provided by other companies. Calls to those numbers and other numbers used for caller-paid information services will be blocked by the Company switch. Each Basic Local Exchange Service corresponds to one or more telephonic communications channels that can be used to place or receive one call at a time.

Individual line Residence and Business Basic Local Exchange Service is comprised of exchange access lines defined as follows:

**Exchange Access Line** - The service central office line equipment and all the Company plant facilities up to the demarcation point. These facilities are Company-provided and maintained and provide access to and from the telecommunications network for message toll service and for local calling appropriate to the tariffed use offering selected by the Customer.

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZI0800

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**SECTION 4 - SERVICE OFFERINGS, (CONT'D.)****4.1 Basic Local Exchange Service, (Cont'd.)****4.1.2 Flat Rate Local Exchange Service**

Flat Rate Local Exchange Service provides a Customer with a single, analog, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Flat Rate Local Exchange Service lines are provided for the connection of Customer-provided wiring, telephone, facsimile machines or other station equipment. Local exchange service lines and trunks are provided on a single party (individual) basis only. No multi-party lines are provided.

Recurring charges for Flat Rate Local Exchange Service are billed monthly in advance. Non-recurring charges for installation or rearrangement of service are billed on the next month's bill immediately following work performed by the Company.

Flat Rate Local Exchange Service includes unlimited local exchange calling per month.

	<b>Maximum <u>Business</u></b>	<b>Maximum <u>Residential</u></b>
Monthly Rate		
Initial Line	\$60.80	\$26.36
Additional Line	\$60.80	\$20.00

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZ10800



2600 Maitland Center Pkwy.  
Suite 300  
Maitland, FL 32751  
P.O. Drawer 200  
Winter Park, FL  
32790-0200  
Tel: 407-740-8575  
Fax: 407-740-0613  
www.tmnc.com

February 6, 2009  
Via Overnight Delivery

Docket Control Center  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 80557-2927

**RE:** Response of Access Point, Inc.  
Docket No. T-03446A-08-0055

Dear Sir/Madame:

Enclosed for filing are the original and thirteen (13) copies of the response and affidavit of Access Point, Inc. to the January 16, 2009 Staff Recommendation of Ms. Pamela J. Genung filed in T-03446A-08-0055.

Specifically Access Point, Inc. has changed its philosophy regarding Deposits and Advanced Payments for services offered within Arizona. The company will not be collecting any deposits for these services and therefore is requesting a waiver of the bond requirement addressed in the Staff Recommendation.

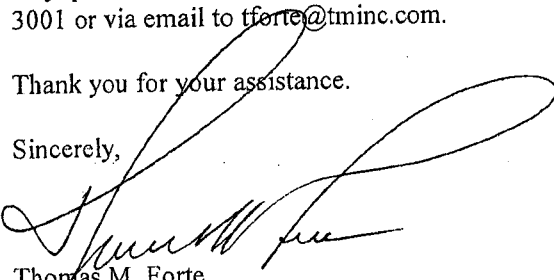
I am also enclosing the original and thirteen (13) copies of the revised tariff pages reflecting the withdrawal of deposit and advanced payment language. Proposed tariff pages 20 - 24 have been adjusted and are provided for insertion into the proposed tariff.

Please acknowledge receipt of this filing by date stamping the extra copy of this cover letter and returning it to me in the self-addressed, stamped envelope provided for that purpose.

Any questions you may have regarding this filing may be directed to me attention at 407-740-3001 or via email to [tforte@tmnc.com](mailto:tforte@tmnc.com).

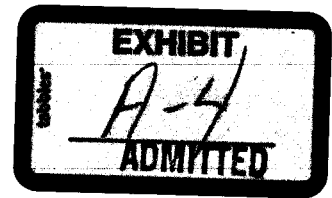
Thank you for your assistance.

Sincerely,

  
Thomas M. Forte  
Consultant to Access Point, Inc.

TMF/rg

cc: Pam Genung - AZ Corp. Commission  
Jason Brown - Access Point  
file: Access Point - AZ Local  
tms: AZL0800d



ARIZONA  
CORPORATION COMMISSION

Registration of  
Access Point, Inc.  
for a License to Provide Basic Local  
Exchange Service throughout the State

)  
)  
)  
)

Docket # T-03446A-08-0055

AFFIDAVIT OF RICHARD E. BROWN

I, Richard E. Brown, having been duly sworn, state that if I am called as a witness in this matter I am competent to testify based on my personal knowledge as follows:

- 1) I am President and CEO of Access Point, Inc.
- 2) I am duly authorized by Access Point, Inc. to file this affidavit.
- 3) Access Point, Inc. respectfully requests that it be permitted to waive the bond requirement as the Company will provide any prepaid services nor will it collect deposits or advanced deposits for intrastate services within Arizona.

By:

Richard E. Brown

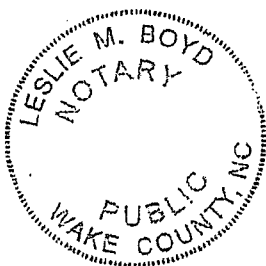
Richard E. Brown  
President and CEO  
Access Point, Inc.

Dated:

2/5/09

Subscribed and sworn before me  
this 5<sup>th</sup> day of February, 2009.

Leslie M. Boyd  
Notary Public



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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.5 Payment Arrangements**

**2.5.1 Payment for Service**

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer and to all Authorized Users by the Customer, regardless of whether those services are used by the Customer itself or are resold to or shared with other persons.

The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state, federal and 911 taxes, charges or surcharges (however designated) (excluding taxes on Company net income) imposed on or based upon the provision, sale or use of Network Services.

The security of the Customer PIN is the responsibility of the Customer. All calls placed using a PIN shall be billed to and shall be the obligation of the Customer. The Customer shall not be responsible for charges in connection with the unauthorized use of PINs arising after the Customer notifies the Company of the loss, theft, or other breach of security of such PINs.

Customers will only be charged once, on either an interstate or intrastate basis, for any nonrecurring charges.

---

Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZ10800



**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.5 Payment Arrangements, (Cont'd.)**

**2.5.2 Billing and Collection of Charges**

The Customer is responsible for payment of all charges incurred by the Customer or other Authorized Users for services and facilities furnished to the Customer by the Company.

- (A) Nonrecurring charges are due and payable within thirty (30) days after the invoice date, unless otherwise agreed to in advance.
- (B) The Company shall present invoices for recurring charges monthly to the Customer, in advance of the month in which service is provided, and Recurring Charges shall be due and payable within thirty (30) days after the invoice date. When billing is based on customer usage, charges will be billed monthly for the preceding billing periods.

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Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

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**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.5 Payment Arrangements, (Cont'd.)**

**2.5.2 Billing and Collection of Charges, (cont'd.)**

- (C) When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have thirty (30) days.
- (D) Billing of the Customer by the Company will begin on the Service Commencement Date, which is the first day following the date on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.

---

Issued: January 29, 2008

Effective:

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Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZI0800

SECTION 2 – RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements, (Cont'd.)

2.5.2 Billing and Collection of Charges, (cont'd.)

- (E) If any portion of the payment is not received by the Company, or if any portion of the payment is received by the Company in funds that are not immediately available, within twenty (20) days of the mail date on the bill, then a late payment penalty shall be due the Company. The late payment penalty shall be that portion of the payment not received by the date due minus any charges billed as local taxes multiplied by 1.5%.
- (F) The Customer will be assessed a *maximum* charge of thirty-five (\$35.00) for each check submitted by the Customer to the Company that a financial institution refuses to honor.
- (G) If service is disconnected by the Company in accordance with Section 2.6 following and later restored, restoration of service will be subject to all applicable installation charges.

---

Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZI0800

**SECTION 2 – RULES AND REGULATIONS, (CONT'D.)**

**2.5 Payment Arrangements, (Cont'd.)**

**2.5.3 Disputed Bills**

- (A) In the event that a billing dispute occurs concerning any charges billed to the Customer by the Company, the Company shall require the Customer to pay the undisputed portion of the bill to avoid discontinuance of service for non-payment. The Customer must submit a documented claim for the disputed amount. The Customer will submit all documentation as may reasonably be required to support the claim. All claims must be submitted to the Company within 90 days of receipt of billing for those services. If the Customer does not submit a claim as stated above, the Customer waives all rights to filing a claim thereafter.
- (B) Unless disputed the invoice shall be deemed to be correct and payable in full by the Customer. If the Customer is unable to resolve any dispute with the Company, then the Customer may file a complaint with the Arizona Corporation Commission, 1200 West Washington Street, Phoenix, Arizona 85007.
- (C) If the dispute is resolved in favor of the Customer and the Customer has withheld the disputed amount, no interest, credits or penalties will apply.

---

Issued: January 29, 2008

Effective:

Issued by:

Jason Brown, Regulatory Affairs  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

AZ10800

Arizona Corporation Commission  
COMPTROLLER

**DOCKETED**

**JUN 09 2000**

DOCKETED BY

DT

**EXHIBIT**

A-5

**ADMITTED**

DOCKET NO. T-03446A-97-0558

DECISION NO. 62624

### ORDER

**BY THE COMMISSION:**

## FINDINGS OF FACT

5. On February 18, 2000, the Commissions Utilities Division Staff ("Staff") filed its Staff Report.

1           6.     In the Staff Report, Staff stated that the Applicant provided financial statements for  
2 the year ended December 31, 1998. These financial statements list assets of \$1.5 million,  
3 shareholders' equity of \$58,411 and negative retained earnings of \$1.4 million. Based on the  
4 foregoing, Staff believes that Applicant does not appear to have adequate financial resources.  
5 Applicant filed a letter on February 10, 2000, stating that it does not currently, and will not in the  
6 future, charge its customers for any prepayments, advances or deposits. If at some future date, the  
7 Applicant wants to charge customers any prepayments, advances, or deposits, it must file information  
8 with the Commission that demonstrates the Applicant's financial viability. Staff believes that if the  
9 Applicant experiences financial difficulty, there should be minimal impact to its customers.  
10 Customers are able to dial another reseller or facilities-based provider to switch to another company.

11           7.     The Staff Report stated that Applicant has no market power and the reasonableness of  
12 its rates would be evaluated in a market with numerous competitors.

13           8.     Staff recommended that:

14               (a)   Applicant's application for a Certificate should be approved without a hearing  
15 pursuant to A.A.C. R14-2-1106B;

16               (b)   Applicant's intrastate toll service offerings should be classified as competitive  
17 pursuant to A.A.C. R14-2-1108;

18               (c)   Applicant's competitive services should be priced at the effective rates set  
19 forth in Applicant's tariffs and the maximum rates for these services should be the  
20 maximum rates proposed by Applicant in its tariffs. The minimum rates for  
applicant's competitive services should be Applicant's long run incremental costs of  
providing those services as set forth in A.A.C. R14-2-1109;

21               (d)   In the event that the Applicant states only one rate in its tariff for a competitive  
22 service, the rate stated should be the effective (actual) price to be charged for the  
service as well as the service's maximum rate; and

23               (e)   Applicant should be required to comply with the Commission's rules and  
24 modify its tariffs to conform with the rules if it is determined there is a conflict  
25 between Applicant's tariffs and the Commission's rules.

26           9.     By Procedural Order dated March 29, 2000, the Commission set a deadline of April  
27 28, 2000, for filing exceptions to the Staff Report; requesting that a hearing be set; or requesting  
28 intervention as interested parties.

3 11. No exceptions were filed to the Staff Report, nor did any party request that a hearing  
4 be set.

1. Applicant is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

2. The Commission has jurisdiction over Applicant and the subject matter of the application.

4. Applicant's provision of resold intrastate telecommunications services is in the public interest.

5. Applicant is a fit and proper entity to receive a Certificate for providing competitive intrastate telecommunications services as a reseller in Arizona.

6. Staff's recommendations in Findings of Fact No. 8 are reasonable and should be adopted.

IT IS THEREFORE ORDERED that the application of Access Point, Inc. for a Certificate of Convenience and Necessity for authority to provide competitive intraLATA and interLATA telecommunications services, except local exchange services, shall be, and the same is hereby granted, except that Access Point, Inc. shall not be authorized to charge customers any prepayments, advances, or deposits. In the future, if Access Point, Inc. desires to initiate such charges, it must file information with the Commission that demonstrates the Company's financial viability or establish an escrow account equal to the amount of any prepayments, advances or deposits. Staff shall review the information provided and file its recommendation concerning financial viability within thirty (30) days of receipt of the financial information, for Commission approval.

IT IS FURTHER ORDERED that Access Point, Inc. shall comply with Staff recommendations set forth in Findings of Fact No. 8.

1 IT IS FURTHER ORDERED that Access Point, Inc. shall file modified tariffs within 30 days  
2 from the effective date of this Decision.

3 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

4 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

5  
6    
7 CHAIRMAN COMMISSIONER COMMISSIONER

8  
9 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive  
10 Secretary of the Arizona Corporation Commission, have  
11 hereunto set my hand and caused the official seal of the  
12 Commission to be affixed at the Capitol, in the City of Phoenix,  
13 this 9th day of June, 2000.

14   
BRIAN C. McNEIL  
EXECUTIVE SECRETARY

15 DISSENT   
16 AG:bbs



1 SERVICE LIST FOR:

ACCESS POINT, INC.

2 DOCKET NO.:

T-03446A-97-0558

3 Richard E. Brown  
4 ACCESS POINT, INC.  
5 1100 Crescent Green, Suite 109  
6 Cary, North Carolina 27511

7 Lance J.M. Steinhart  
8 6455 East Johns Crossing  
9 Suite 285  
10 Duluth, Georgia 30097  
11 Attorney for Applicant

12 Lyn Farmer, Chief Counsel  
13 Legal Division  
14 ARIZONA CORPORATION COMMISSION  
15 1200 West Washington Street  
16 Phoenix, Arizona 85007

17 Deborah Scott, Director  
18 Utilities Division  
19 ARIZONA CORPORATION COMMISSION  
20 1200 West Washington Street  
21 Phoenix, Arizona 85007  
22  
23  
24  
25  
26  
27  
28

MEMORANDUM



TO: Docket Control

FROM: Ernest G. Johnson  
Director  
Utilities Division

*EA for EGT*  
**RECEIVED**  
JAN 20 2009

2009 JAN 16 P 4: 22

AZ CORP COMMISSION  
DOCKET CONTROL

DATE: January 16, 2009

RE: IN THE MATTER OF THE APPLICATION OF ACCESS POINT, INC.  
APPROVAL FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY  
TO PROVIDE RESOLD LONG DISTANCE TELECOMMUNICATIONS  
SERVICES, RESOLD LOCAL EXCHANGE TELECOMMUNICATIONS  
SERVICES AND FACILITIES-BASED LOCAL EXCHANGE  
TELECOMMUNICATIONS SERVICES (DOCKET NO. T-03446A-08-0055)

Attached is the Staff Report for the above Application requesting approval for a Certificate of Convenience and Necessity ("CC&N") to provide the following services:

- Resold Local Exchange Telecommunications Services
- Facilities-Based Local Exchange Telecommunications Services

Staff is recommending approval of the Application.

EGJ:PJG:red

Originator: Pamela J. Genung

Attachment: Original and Thirteen copies

**FILE COPY**

SERVICE LIST FOR: ACCESS POINT, INC.  
DOCKET NO. T-03446A-08-0055

Mr. Richard E. Brown  
Access Point, Inc.  
1100 Crescent Green, Suite 109  
Cary, North Carolina 27518

Mr. Thomas M. Forte  
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Arizona Corporation Commission  
1200 West Washington Street  
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Mr. Ernest G. Johnson  
Director, Utilities Division  
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Ms. Lyn Farmer  
Chief Administrative Law Judge, Hearing Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

STAFF REPORT  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION

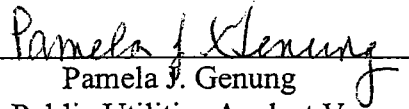
ACCESS POINT, INC.  
DOCKET NO. T-03446A-08-0055

IN THE MATTER OF THE APPLICATION OF ACCESS POINT, INC. APPROVAL FOR A  
CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE RESOLD LONG  
DISTANCE TELECOMMUNICATIONS SERVICES, RESOLD LOCAL EXCHANGE  
TELECOMMUNICATIONS SERVICES AND FACILITIES-BASED LOCAL EXCHANGE  
TELECOMMUNICATIONS SERVICES

JANUARY 16, 2009

## STAFF ACKNOWLEDGMENT

The Staff Report for Access Point, Inc., Docket No. T-03446A-08-0055, was the responsibility of the Staff member listed below. Pamela J. Genung was responsible for the review and analysis of Access Point, Inc. Application for a Certificate of Convenience and Necessity to provide Resold Local Exchange and Facilities-Based Local Exchange Telecommunications Services within the State of Arizona, in addition to the petition for a determination that its proposed services should be classified as competitive.

  
\_\_\_\_\_  
Pamela J. Genung  
Public Utilities Analyst V

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## ATTACHMENT

States in Which Access Point Is Currently Certificated ..... Attachment A

## **1. INTRODUCTION**

On January 28, 2008, Access Point, Inc. ("Access Point" or "Applicant" or "Company") filed an Application for a Certificate of Convenience and Necessity ("CC&N") to provide resold long distance, resold local exchange and facilities-based local exchange telecommunications services within the State of Arizona. The Applicant also petitioned the Arizona Corporation Commission ("Commission") for a determination that its proposed services should be classified as competitive. On January 28, 2008, Access Point submitted a proposed tariff for the services it is requesting the authority to provide.

Commission records indicate that on June 9, 2000, in Decision No. 62624, Access Point was granted authority to provide competitive resold long distance telecommunications services in Arizona. Therefore, this Application pertains to Access Point's request for authority to provide resold local exchange and facilities-based local exchange telecommunications services within the State of Arizona.

On February 14, 2008, Staff issued its First Set of Data Requests to Access Point. Responses to Staff's First Set of Data Requests were received from Access Point on March 27, 2008. Included within Access Point's Responses to Staff's First Set of Data Requests, in Attachment II pertaining to question 1.8, were replacement and supplemental tariff pages to add to its proposed tariff. On June 5, 2008, Staff issued its Second Set of Data Requests to Access Point. Responses to Staff's Second Set of Data Requests were received from Access Point on September 9, 2008. Included within Access Point's Responses to Staff's Second Set of Data Requests, in Attachment I pertaining to STF 2.3, were four replacement pages to its proposed tariff. On September 29, 2008, at the recommendation of Staff, Access Point filed an additional replacement page, Original Page 2 of Section 4, to its proposed Arizona Tariff No. 3.

Staff's review of this Application addresses the overall fitness of the Applicant to receive a CC&N. Staff's analysis also considers whether the Applicant's services should be classified as competitive and if the Applicant's initial rates are just and reasonable.

## **2. TECHNICAL CAPABILITY TO PROVIDE THE REQUESTED SERVICES**

Access Point indicated in its Application that it is currently offering competitive telecommunications services similar to those that it intends to offer in Arizona in 49 additional states/jurisdictions. Staff has contacted approximately half of the Public Utility Commissions in those 49 states/jurisdictions to determine if Access Point is certificated or registered to provide telecommunications services in the states listed by the Applicant. Staff also inquired whether there were any consumer complaints filed against the Applicant. The information that Staff has obtained indicates that there have been no consumer complaints filed against Access Point in any of the states/jurisdictions researched by Staff. To date, Staff has been able to verify that Access Point is authorized to provide service in the states of Alabama, Arizona, Colorado, Florida, Georgia, Idaho, Illinois, Indiana, Louisiana, Maine, Mississippi, Nebraska, Nevada, Oregon,

Pennsylvania, Texas, Virginia, and Washington. In Virginia, the Applicant is certificated as Access Point of Virginia, Inc.

Access Point is currently certificated to provide competitive resold long distance telecommunications services in Arizona. At present Access Point is providing resold long distance services to eighteen customers in Arizona. The nine members of the senior management team average over thirteen years experience each in the telecommunications industry.

Based on the above information, Staff believes Access Point possesses the technical capabilities to provide the services it is requesting the authority to provide in Arizona.

### **3. FINANCIAL CAPABILITY TO PROVIDE THE REQUESTED SERVICES**

In the Applicant's response to Staff's First Set of Data Requests, Access Point provided unaudited 2007 financial statements. As of December 31, 2007, these financial statements list assets of \$4,295,852; negative equity of \$1,262,777; and a net loss of \$373,687. In its initial Application, Access Point provided audited 2005 and 2006 financial statements. As of December 31, 2006, the financial statements list assets of \$4,183,899; negative equity of \$889,091; and a net loss of \$640,887. As of December 31, 2005, the financial statements indicate assets of \$4,554,505; negative equity of \$248,204; and a net loss of \$1,230,631. The Applicant also provided notes related to the financial statements indicating that Access Point filed for bankruptcy in 2000 but emerged from bankruptcy in 2001 and is currently not under the protection of the federal bankruptcy system.

The Applicant stated in its proposed tariff (reference Sections 2.5.4 and 2.5.5 of Access Point's proposed Arizona Tariff No. 3) that it may collect advances, deposits and prepayments from any applicant or customer whose financial responsibility is not established to the satisfaction of the Company. Staff believes that advances, deposits, and/or prepayments received from the Applicant's customers should be protected by the procurement of either a performance bond or an irrevocable sight draft Letter of Credit.

The Commission's current bond or irrevocable sight draft Letter of Credit requirements are \$10,000 for resold long distance, \$25,000 for resold local exchange, \$100,000 for facilities-based long distance, and \$100,000 for facilities-based local exchange services. Since the Applicant is requesting a CC&N for more than one kind of service, the amount of a performance bond or an irrevocable sight draft Letter of Credit for multiple services is an aggregate of the minimum bond or draft amount for each type of telecommunications service requested by the Applicant. The amount of bond or draft coverage needed for each service is as follows: resold local exchange \$25,000; and facilities-based local exchange line \$100,000. The bond or draft coverage needs to increase in increments equal to 50 percent of the total minimum bond or draft amount when the total amount of the advances, deposits, and prepayments is within 10 percent of the total minimum bond or draft amount. Further, measures should be taken to ensure that the



Applicant will not discontinue service to its customers without first complying with Arizona Administrative Code ("A.A.C.") R14-2-1107.

To that end, Staff recommends that the Applicant procure either a performance bond or an irrevocable sight draft Letter of Credit equal to \$125,000. The minimum bond or draft amount of \$125,000 should be increased if at any time it would be insufficient to cover advances, deposits, and/or prepayments collected from the Applicant's customers. The bond or draft amount should be increased in increments of \$62,500. This increase should occur when the total amount of the advances, deposits, and prepayments is within \$12,500 of the bond or draft amount. If the Applicant desires to discontinue service, it must file an Application with the Commission pursuant to A.A.C. R14-2-1107. Additionally, the Applicant must notify each of its customers and the Commission 60 days prior to filing an Application to discontinue service. Failure to meet this requirement should result in forfeiture of the Applicant's performance bond or irrevocable sight draft Letter of Credit.

Staff further recommends that proof of the above mentioned performance bond or irrevocable sight draft Letter of Credit be docketed within 30 days of the effective date of a Decision in this matter. The original bond or Letter of Credit should be filed with the Commission's Business Office and copies of the bond or Letter of Credit with Docket Control, as a compliance item in this docket. The Commission may draw on the bond or Letter of Credit, on behalf of, and for the sole benefit of the Company's customers, if the Commission finds, in its discretion, that the Company is in default of its obligations arising from its Certificate. The Commission may use the bond or Letter of Credit funds, as appropriate, to protect the Company's customers and the public interest and take any and all actions the Commission deems necessary, in its discretion, including, but not limited to, returning prepayments or deposits collected from the Company's customers.

#### **4. ESTABLISHING RATES AND CHARGES**

The Applicant would initially be providing service in areas where an incumbent local exchange carrier ("ILEC"), along with various competitive local exchange carriers ("CLECs") and interexchange carriers are providing telephone service. Therefore, the Applicant would have to compete with those providers in order to obtain subscribers to its services. The Applicant would be a new entrant and would face competition from both an incumbent provider and other competitive providers in offering service to its potential customers. Therefore, the Applicant would generally not be able to exert market power. Thus, the competitive process should result in rates that are just and reasonable.

Both an initial rate (the actual rate to be charged) and a maximum rate must be listed for each competitive service offered, provided that the rate for the service is not less than the Company's total service long-run incremental cost of providing the service pursuant to A.A.C. R14-2-1109.

The rates proposed by this filing are for competitive services. In general, rates for competitive services are not set according to rate of return regulation. Staff obtained information from the Company indicating that its fair value rate base is zero. Accordingly, the Company's fair value rate base is too small to be useful in a fair value analysis. Access Point has submitted proposed tariff pages reflecting the actual rates that Access Point will be charging for its local exchange services. Access Point has also provided additional rate comparison information of other competitive local exchange carriers in the State of Arizona. Staff has reviewed the proposed rates and believes they are comparable to the rates charged by competitive local carriers and local incumbent carriers operating in the State of Arizona. Therefore, while Staff considered the fair value rate base information submitted by the Company, the fair value rate base information provided should not be given substantial weight in this analysis.

## **5. LOCAL EXCHANGE CARRIER SPECIFIC ISSUES**

Issues related to the provision of Local Exchange service are discussed below.

### *5.1 Number Portability*

The Commission has adopted rules to address number portability in a competitive telecommunications services market. Local exchange competition may not be vigorous if customers, especially business customers, must change their telephone numbers to take advantage of a competitive local exchange carrier's service offerings. Consistent with federal laws, federal rules and A.A.C. R14-2-1308(A), the Applicant shall make number portability available to facilitate the ability of a customer to switch between authorized local carriers within a given wire center without changing their telephone number and without impairment to quality, functionality, reliability or convenience of use.

### *5.2 Provision of Basic Telephone Service and Universal Service*

The Commission has adopted rules to address universal telephone service in Arizona. A.A.C. R14-2-1204(A) indicates that all telecommunications service providers that interconnect into the public switched network shall provide funding for the Arizona Universal Service Fund ("AUSF"). The Applicant will make the necessary monthly payments required by A.A.C. R14-2-1204(B).

### *5.3 Quality of Service*

Staff believes that the Applicant should be ordered to abide by the quality of service standards that were approved by the Commission for Qwest (f/k/a USWC) in Docket No. T-01051B-93-0183 (Decision No. 59421). Because the penalties developed in that docket were initiated because Qwest's level of service was not satisfactory and the Applicant does not have a similar history of service quality problems, Staff does not recommend that those penalties apply to the Applicant. In the competitive market that the Applicant wishes to enter, the Applicant generally will have no market power and will be forced to provide a satisfactory level of service

or risk losing its customers. Therefore, Staff believes that it is unnecessary to subject the Applicant to those penalties at this time.

#### *5.4 Access to Alternative Local Exchange Service Providers*

Staff expects that there will be new entrant providers of local exchange service who will install the plant necessary to provide telephone service to, for example, a residential subdivision or an industrial park much like existing local exchange companies do today. There may be areas where the Applicant installs the only local exchange service facilities. In the interest of providing competitive alternatives to the Applicant's local exchange service customers, Staff recommends that the Applicant be prohibited from barring access to alternative local exchange service providers who wish to serve such areas. This way, an alternative local exchange service provider may serve a customer if the customer so desires. Access to other providers should be provided pursuant to the provisions of the 1996 Telecommunications Act, the rules promulgated there under and Commission rules on interconnection and unbundling.

#### *5.5 911 Service*

The Commission has adopted rules to address 911 and E911 services in a competitive telecommunications services market. The Applicant has certified that in accordance with A.A.C. R14-2-1201(6)(d) and Federal Communications Commission 47 CFR Sections 64.3001 and 64.3002, it will provide all customers with 911 and E911 service, where available, or will coordinate with ILECs and emergency service providers to provide 911 and E911 service.

#### *5.6 Custom Local Area Signaling Services*

Consistent with past Commission decisions, the Applicant may offer Caller ID provided that per call and line blocking, with the capability to toggle between blocking and unblocking the transmission of the telephone number, are provided as options to which customers could subscribe with no charge. Also, Last Call Return service that will not return calls to telephone numbers that have the privacy indicator activated, indicating that the number has been blocked, must be offered.

### **6. REVIEW OF COMPLAINT INFORMATION**

The Applicant has not had an Application for service denied in any state. The Applicant indicated in its Application that it had its certificate revoked in Nebraska and Illinois due to not filing its annual financial statements, but have since reconciled the problem and the certificates have been reinstated. Staff has verified the accuracy of the above information with the Commissions in both states. Consumer Services reports no complaint history within Arizona.

The Applicant indicated that none of its officers, directors or partners have been involved in any civil or criminal investigations, or any formal or informal complaints. The Applicant also

indicated that none of its officers, directors or partners have been convicted of any criminal acts in the past ten (10) years.

## **7. COMPETITIVE SERVICES ANALYSIS**

The Applicant has petitioned the Commission for a determination that the services it is seeking to provide should be classified as competitive.

### **7.1 *Competitive Services Analysis for Local Exchange Services***

#### **7.1.1 A description of the general economic conditions that exist which make the relevant market for the service one that is competitive.**

The local exchange market that the Applicant seeks to enter is one in which a number of new CLECs have been authorized to provide local exchange service. Nevertheless, ILECs hold a virtual monopoly in the local exchange service market. At locations where ILECs provide local exchange service, the Applicant will be entering the market as an alternative provider of local exchange service and, as such, the Applicant will have to compete with those companies in order to obtain customers. In areas where ILECs do not serve customers, the Applicant may have to convince developers to allow it to provide service to their developments.

#### **7.1.2 The number of alternative providers of the service.**

Qwest and various independent LECs are the primary providers of local exchange service in the State. Several CLECs and local exchange resellers are also providing local exchange service.

#### **7.1.3 The estimated market share held by each alternative provider of the service.**

Since Qwest and the independent LECs are the primary providers of local exchange service in the State, they have a large share of the market. Since the CLECs and local exchange resellers have only recently been authorized to offer service, they have limited market share.

#### **7.1.4 The names and addresses of any alternative providers of the service that are also affiliates of the telecommunications Applicant, as defined in A.A.C. R14-2-801.**

None.

**7.1.5 The ability of alternative providers to make functionally equivalent or substitute services readily available at competitive rates, terms and conditions.**

ILECs have the ability to offer the same services that the Applicant has requested in their respective service territories. Similarly many of the CLECs and local exchange resellers also offer substantially similar services.

**7.1.6 Other indicators of market power, which may include growth and shifts in market share, ease of entry and exit, and any affiliation between and among alternative providers of the service(s).**

The local exchange service market is:

- a. One in which ILECs own networks that reach nearly every residence and business in their service territories and which provide them with a virtual monopoly over local exchange service. New entrants are also beginning to enter this market.
- b. One in which new entrants will be dependent upon ILECs:
  - 1. To terminate traffic to customers.
  - 2. To provide essential local exchange service elements until the entrant's own network has been built.
  - 3. For interconnection.
- c. One in which ILECs have had an existing relationship with their customers that the new entrants will have to overcome if they want to compete in the market and one in which new entrants do not have a long history with any customers.
- d. One in which most customers have few, if any choices since there is generally only one provider of local exchange service in each service territory.
- e. One in which the Applicant will not have the capability to adversely affect prices or restrict output to the detriment of telephone service subscribers.

## **8. RECOMMENDATIONS**

The following sections contain Staff recommendations on the Application for a CC&N and the Applicant's petition for a Commission determination that its proposed services should be classified as competitive.

*8.1 Recommendations on the Application for a CC&N*

Staff recommends that Applicant's Application for a CC&N to provide intrastate telecommunications services, as listed in this Report, be granted. In addition, Staff further recommends:

1. That the Applicant complies with all Commission Rules, Orders and other requirements relevant to the provision of intrastate telecommunications services;
2. That the Applicant abides by the quality of service standards that were approved by the Commission for Qwest in Docket No. T-01051B-93-0183;
3. That the Applicant be prohibited from barring access to alternative local exchange service providers who wish to serve areas where the Applicant is the only provider of local exchange service facilities;
4. That the Applicant be required to notify the Commission immediately upon changes to the Applicant's name, address or telephone number;
5. That the Applicant cooperate with Commission investigations including, but not limited to customer complaints;
6. The rates proposed by this filing are for competitive services. In general, rates for competitive services are not set according to rate of return regulation. Staff obtained information from the Company and has determined that its fair value rate base is zero. Staff has reviewed the rates to be charged by the Applicant and believes they are just and reasonable as they are comparable to other competitive local carriers and local incumbent carriers offering service in Arizona and comparable to the rates the Applicant charges in other jurisdictions. The rate to be ultimately charged by the Company will be heavily influenced by the market. Therefore, while Staff considered the fair value rate base information submitted by the Company, the fair value information provided was not given substantial weight in this analysis;
7. That the Applicant offer Caller ID with the capability to toggle between blocking and unblocking the transmission of the telephone number at no charge;
8. That the Applicant offer Last Call Return service that will not return calls to telephone numbers that have the privacy indicator activated;
9. Staff further recommends that the Commission authorize the Applicant to discount its rates and service charges to the marginal cost of providing the services;

10. That the Applicant submit local exchange tariffs indicating that it may collect advances, deposits and or prepayments;

Staff further recommends that the Applicant be ordered to comply with the following. If it does not do so, the Applicant's CC&N shall be null and void after due process.

1. The Applicant shall docket conforming tariffs pages for each service within its CC&N within 365 days from the date of an Order in this matter or 30 days prior to providing service, whichever comes first. The tariffs submitted shall coincide with the Application.
2. The Applicant shall:
  - a. Procure either a performance bond or an irrevocable sight draft Letter of Credit equal to \$125,000. The minimum bond or draft amount of \$125,000 should be increased if at any time it would be insufficient to cover advances, deposits, and/or prepayments collected from the Applicant's customers. The bond or draft amount should be increased in increments of \$62,500. This increase should occur when the total amount of the advances, deposits, and prepayments is within \$12,500 of the bond or draft amount.
  - b. Docket proof of the original performance bond or irrevocable sight draft Letter of Credit with the Commission's Business Office and copies of the performance bond or irrevocable sight draft Letter of Credit with Docket Control, as a compliance item in this docket, within 30 days of the effective date of a Decision in this matter. The performance bond or irrevocable sight draft Letter of Credit must remain in effect until further order of the Commission. The Commission may draw on the performance bond or irrevocable sight draft Letter of Credit, on behalf of, and for the sole benefit of the Company's customers, if the Commission finds, in its discretion, that the Company is in default of its obligations arising from its Certificate. The Commission may use the performance bond or irrevocable sight draft Letter of Credit funds, as appropriate, to protect the Company's customers and the public interest and take any and all actions the Commission deems necessary, in its discretion, including, but not limited to returning prepayments or deposits collected from the Company's customers.
3. Abide by the Commission adopted rules that address Universal Service in Arizona. A.A.C. R14-2-1204(A) indicates that all telecommunications service providers that interconnect into the public switched network shall provide funding for the Arizona Universal Service Fund ("AUSF"). The Applicant will make the necessary monthly payments required by A.A.C. R14-2-1204(B).

8.2 *Recommendation on the Applicant's Petition to Have Its Proposed Services Classified As Competitive*

Staff believes that the Applicant's proposed services should be classified as competitive. There are alternatives to the Applicant's services. The Applicant will have to convince customers to purchase its services, and the Applicant has no ability to adversely affect the local exchange or interexchange service markets. Therefore, the Applicant currently has no market power in the local exchange or interexchange service markets where alternative providers of telecommunications services exist. Staff therefore recommends that the Applicant's proposed services be classified as competitive.



## Attachment A

The following are the states/jurisdictions in which Access Point is currently certificated to provide telecommunications services:

- |                         |                   |
|-------------------------|-------------------|
| 1. Alabama              | 41. Tennessee     |
| 2. Arizona              | 42. Texas         |
| 3. Arkansas             | 43. Utah          |
| 4. California           | 44. Vermont       |
| 5. Colorado             | 45. Virginia      |
| 6. Connecticut          | 46. Washington    |
| 7. Delaware             | 47. West Virginia |
| 8. District of Columbia | 48. Wisconsin     |
| 9. Florida              | 49. Wyoming       |
| 10. Georgia             |                   |
| 11. Idaho               |                   |
| 12. Illinois            |                   |
| 13. Indiana             |                   |
| 14. Iowa                |                   |
| 15. Kansas              |                   |
| 16. Kentucky            |                   |
| 17. Louisiana           |                   |
| 18. Maine               |                   |
| 19. Maryland            |                   |
| 20. Massachusetts       |                   |
| 21. Michigan            |                   |
| 22. Minnesota           |                   |
| 23. Mississippi         |                   |
| 24. Missouri            |                   |
| 25. Montana             |                   |
| 26. Nebraska            |                   |
| 27. Nevada              |                   |
| 28. New Hampshire       |                   |
| 29. New Jersey          |                   |
| 30. New Mexico          |                   |
| 31. New York            |                   |
| 32. North Carolina      |                   |
| 33. North Dakota        |                   |
| 34. Ohio                |                   |
| 35. Oklahoma            |                   |
| 36. Oregon              |                   |
| 37. Pennsylvania        |                   |
| 38. Rhode Island        |                   |
| 39. South Carolina      |                   |
| 40. South Dakota        |                   |